

# **Report on Missouri Tax Credits Administered by the**



Missouri Department of  
**Economic Development**

**January 2022**

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# Cap Exhausted/Sunset/Eliminated by Statute

|   |     |
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Listed below are programs no longer included in this book as the programs were eliminated by Statute and no longer have redemptions:

Brownfield Jobs and Investment

Dry Fire Hydrant Tax Credit Program

Enterprise Zone Tax Credit Benefit Program

Innovation Campus Tax Credit Program

Transportation Development Tax Credit

## Economic and Fiscal Impact Overview

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Like other states, Missouri uses tax incentive programs created by the legislature to spur job creation and economic growth. Through economic modeling, we're able to estimate and compare future state revenues to the costs of providing a tax benefit over time. This is called economic and fiscal impact analysis.

Models project how spending ripples through the economy, based on past spending patterns. They provide an estimate of the potential spin-off spending and jobs that could occur from changes in economic activity. This makes them well suited to projects and programs where the goal is economic development through job creation or capital investment. These models do not capture impacts that are hard to monetize, such as quality of life improvements or the catalytic effect of a project on the local economy. For tax incentives aiming for less quantifiable impacts, modeling can still be informative, but should be considered alongside other performance criteria.

### Missouri Economic Impact Analysis Process

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For many programs, statute requires economic and fiscal impact analysis for individual projects and the program as a whole. Every year the Department's model is updated with data from the U.S. Bureau of Economic Analysis, Bureau of Labor Statistics, Census Bureau and Missouri's Office of Administration.

The economic model currently used by DED is the Regional Economic Models, Inc. (REMI) Policy Insight model. Unlike other models, REMI allows the state to estimate impacts over a longer period, as opposed to a single year. This is important, given the multi-year structure of Missouri's tax incentive programs. The model also accounts for local competition, recognizing that a new business might take spending away from an existing business.

The Department has performed economic analyses for over fifteen years and currently performs approximately 200 analyses each year. Missouri's quality and use of tax incentive evaluation has been noted in several publications. These include a 2012 Pew Center study, Evidence Counts: Evaluating State Tax Incentives for Jobs and Growth, a 2013 Pew Center and MacArthur Foundation Report, States' Use of Cost-Benefit Analysis, and a 2013 Incentive Transparency Index developed by Investment Consulting Associates.

### Economic Impact Example

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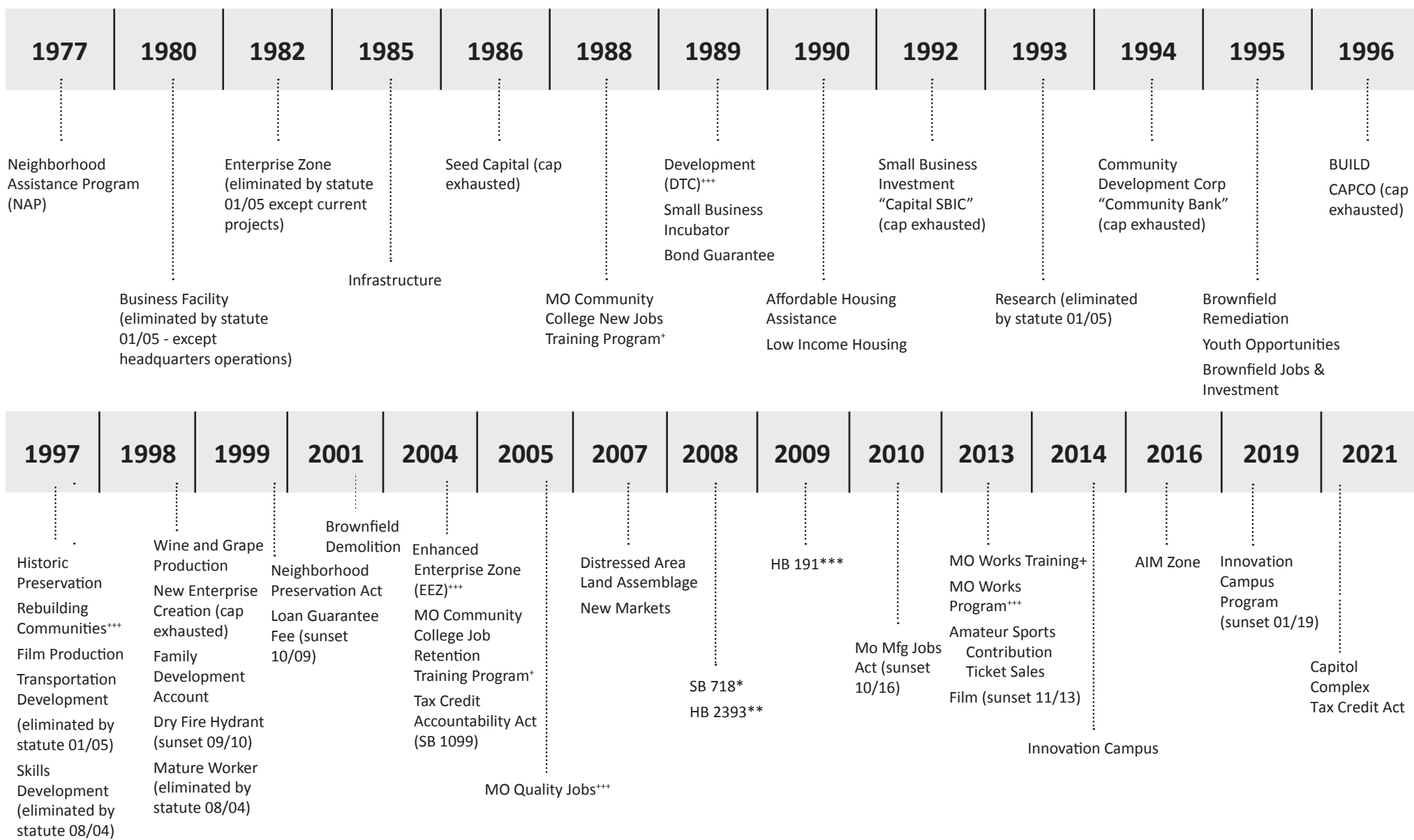
For the annual program evaluations listed in the following forms, the analysis covers the combined direct impacts of projects approved throughout the year. However, to illustrate the results of economic and fiscal impact analysis, the following scenario provides a simplified example of a single project. Fiscal impacts are for a 10-year period and dollar figures are in 2021 dollars.

#### Project Assumptions:

A new machinery manufacturing company locates in Missouri, leading to one year of plant construction and equipment purchases totaling \$12.5 million. The company then hires 100 full-time workers at average wages. The state offers \$2.0 million in tax incentives spread over six years. Over a ten year period the fiscal benefit-cost ratio is 2.29 indicating that for every \$1 dollar of tax incentive the state is expected to receive \$2.29 in net new general revenue from increased economic activity.

| Category                         | Description  | 10 Yr. Total |
|----------------------------------|--|--------------|
| BENEFIT                          | Projected net state general revenue (gross revenue minus gross expenditures) | \$2,154,820  |
| COST                             | Tax incentive spread over six years  | \$1,915,171  |
| Fiscal Benefit-Cost (B/C) Ratio: |  | 2.13         |

# DED Administered Tax Credits - Enactment Timeline



\* SB 718 amended EEZ, MO Quality Jobs, NAP, DTC, New Markets, & Brownfield – established the prohibition for tax credits to companies employing illegal aliens.  
 \*\* HB 2393 amended EEZ to add mega-projects.  
 \*\*\* HB 191 amended Affordable Housing, MDFB Infrastructure, BUILD, Historic Preservation, MO Quality Jobs, Low Income Housing, Loan Guarantee Fee, New Markets, Family Development Account, and Brownfield – added reporting requirements to the Tax Credit Accountability Act.

+ HB 196 replaced MO Community College New Jobs Training Program and MO Community College Job Retention Training Program  
 +++ HB 184 created MO Works Program and replaced MO Quality Jobs, Rebuilding Communities, Enhanced Enterprise Zone, and Development Tax Credit State Incentives.

# AFFORDABLE HOUSING ASSISTANCE PROGRAM

MISSOURI HOUSING DEVELOPMENT COMMISSION

## PURPOSE

An incentive for businesses and individuals to make donations to non-profit organizations that assist in the production of affordable rental housing or homeownership for low-income families in Missouri.

## AUTHORIZATION

Sections 32.105 to 32.125, RSMo

## HOW THE PROGRAM WORKS

To receive a tax credit a business firm or eligible individual must donate cash, professional services, real or personal property to a non-profit housing organization to assist with the acquisition, rehabilitation and/or new construction of affordable housing. There is also a set-aside for donations that assist non-profit housing organizations with their basic operating expenses. The amount of tax credit allocated is equal to 55% of the value of the contribution.

## ELIGIBLE AREAS

Statewide.

## ELIGIBLE APPLICANTS

Non-profit housing organizations are eligible to apply for tax credit.

## ELIGIBLE USE OF TAX CREDITS

This tax credit can be applied to:

- ✓ Ch. 143 – Income tax
- ✓ Ch. 147-Corporation Franchise Tax
- ✓ Ch. 148 –
  - ✓ Bank Tax
  - ✓ Insurance Premium Tax
  - ✓ Other Financial Institutions Tax
- ✓ Ch. 153-Express Company Tax

This credit's special attributes:

- ✓ Carryforward 10 years
- ✓ Sellable or transferable

## APPLICATION PROCEDURE

Refer to the MHDC website for application deadlines and forms.

## SPECIAL PROGRAM REQUIREMENTS

Proposals must:

- ✓ Meet a demonstrated housing need;
- ✓ Provide affordable housing for low-income families by restricting rents and purchase prices;
- ✓ Target housing for low- to moderate-income persons as defined by state statute;
- ✓ Provide assistance for the administrative costs of a non-profit housing organization.

Approved proposals for rental or for-sale housing must follow income and rent/resale restrictions for a period of ten years.

## CONTACT

Missouri Housing Development Commission  
920 Main Street, Suite 1400  
Kansas City, MO 64105  
Phone: 816-759-6636  
E-mail: [skintz@mhdc.com](mailto:skintz@mhdc.com)

## ADDITIONAL RESOURCES

Go to the MHDC home page at [www.mhdc.com](http://www.mhdc.com) and choose the Rental Production link to obtain guidelines and forms for the Affordable Housing Assistance Tax Credit Program as well as information regarding other MHDC housing programs.



| <b>Program Name:</b> Affordable Housing Assistance Tax Credit Program   |                       |   |   |                               |                            |                              |             |         |         |         |         |         |        |             |              |             |              |              |             |         |         |         |         |         |        |             |             |             |             |             |             |         |         |         |         |         |        |             |             |             |             |             |
|---|-----------------------|---|---|-------------------------------|----------------------------|------------------------------|-------------|---------|---------|---------|---------|---------|--------|-------------|--------------|-------------|--------------|--------------|-------------|---------|---------|---------|---------|---------|--------|-------------|-------------|-------------|-------------|-------------|-------------|---------|---------|---------|---------|---------|--------|-------------|-------------|-------------|-------------|-------------|
| <b>Department:</b> Missouri Housing Development Commission  |                       | <b>Contact Name &amp; No.:</b> Samantha Gamble-Kintz (816) 759-6636   |   |                               |                            |                              |             |         |         |         |         |         |        |             |              |             |              |              |             |         |         |         |         |         |        |             |             |             |             |             |             |         |         |         |         |         |        |             |             |             |             |             |
| <b>Program Category:</b> Housing  |                       | <b>Type:</b> Tax Credit <input checked="" type="checkbox"/> <b>Other (specify)</b> _____  |   |                               |                            |                              |             |         |         |         |         |         |        |             |              |             |              |              |             |         |         |         |         |         |        |             |             |             |             |             |             |         |         |         |         |         |        |             |             |             |             |             |
| <b>Statutory Authority:</b> Sections 32.105-32.125, RSMo  |                       | <b>Applicable Taxes:</b> Income Tax, Bank Tax, Financial Institutions Tax, Corporate Franchise Tax, Tax on Gross Receipts of Express Companies, Insurance Premium Tax |   |                               |                            |                              |             |         |         |         |         |         |        |             |              |             |              |              |             |         |         |         |         |         |        |             |             |             |             |             |             |         |         |         |         |         |        |             |             |             |             |             |
| <b>Date of Origin:</b> 1990   |                       |   |   |                               |                            |                              |             |         |         |         |         |         |        |             |              |             |              |              |             |         |         |         |         |         |        |             |             |             |             |             |             |         |         |         |         |         |        |             |             |             |             |             |
| <b>Program Description and Eligibility Requirements:</b><br>The Affordable Housing Assistance Tax Credit Program (AHAP) is an incentive for businesses and qualified individuals in Missouri to participate in the production of affordable housing for low-income families. The credit can be used by a business or qualified individual as a reduction in their state tax obligation. To receive the AHAP credit, a business or qualified individual must donate cash, professional services, or real or personal property to a non-profit organization whose primary purpose is to provide affordable housing for low-income families.   |                       |   |   |                               |                            |                              |             |         |         |         |         |         |        |             |              |             |              |              |             |         |         |         |         |         |        |             |             |             |             |             |             |         |         |         |         |         |        |             |             |             |             |             |
| <b>Explanation of How Award is Computed:</b> <table style="float: right; border: 1px solid black; margin-left: 10px;"> <tr> <td style="padding: 2px;"><b>Entitlement</b></td> <td style="padding: 2px; text-align: center;">No</td> <td style="padding: 2px;"><b>Discretionary</b></td> <td style="padding: 2px; text-align: center;">Yes</td> </tr> </table> <p>The amount of Affordable Housing Assistance Program Tax Credit allocated is equal to 55% of the amount of contribution. Non-profit organizations make application to the Missouri Housing Development Commission (MHDC) for a reservation of AHAP credit. The non-profit organization then solicits contributions from businesses or qualified individuals to assist in the production of a specific affordable housing development. After MHDC receives the necessary documentation of a qualified contribution to the non-profit organization that meets all the criteria set out in the statute and program regulations, a tax credit is issued to the donor in the amount of 55% of the value of the contribution. Applications for production credits are accepted continuously, and applications for the operating credit set-aside are accepted twice a year.</p> |                       |   |   | <b>Entitlement</b>            | No                         | <b>Discretionary</b>         | Yes         |         |         |         |         |         |        |             |              |             |              |              |             |         |         |         |         |         |        |             |             |             |             |             |             |         |         |         |         |         |        |             |             |             |             |             |
| <b>Entitlement</b>  | No                    | <b>Discretionary</b>  | Yes   |                               |                            |                              |             |         |         |         |         |         |        |             |              |             |              |              |             |         |         |         |         |         |        |             |             |             |             |             |             |         |         |         |         |         |        |             |             |             |             |             |
| <b>Program Cap:</b> Cumulative \$ _____ (remainder of cumulative cap) \$ _____ Annual <u>\$11,000,000</u> None _____  |                       |   |   |                               |                            |                              |             |         |         |         |         |         |        |             |              |             |              |              |             |         |         |         |         |         |        |             |             |             |             |             |             |         |         |         |         |         |        |             |             |             |             |             |
| <b>Explanation of cap:</b><br>The cap on AHAP is set by statute at \$11 million annually of which \$10 million is for production credits and \$1 million is for operating credits. Once MHDC has made reservations totaling \$11 million in AHAP credit in a fiscal year, the application cycle is closed.  |                       |   |   |                               |                            |                              |             |         |         |         |         |         |        |             |              |             |              |              |             |         |         |         |         |         |        |             |             |             |             |             |             |         |         |         |         |         |        |             |             |             |             |             |
| <b>Explanation of Expiration of Authority:</b> The AHAP program does not have a statutory sunset provision.   |                       |   |   |                               |                            |                              |             |         |         |         |         |         |        |             |              |             |              |              |             |         |         |         |         |         |        |             |             |             |             |             |             |         |         |         |         |         |        |             |             |             |             |             |
| <b>Specific Provisions:</b> (if applicable)<br>Carry forward <table border="1" style="display: inline-table; width: 50px; text-align: center;">10 years</table> Carry Back <table border="1" style="display: inline-table; width: 50px; text-align: center;">n/a</table> Refundable <table border="1" style="display: inline-table; width: 50px; text-align: center;">No</table> Sellable/Assignable <table border="1" style="display: inline-table; width: 50px; text-align: center;">Yes</table> Additional Federal Deductions Available <table border="1" style="display: inline-table; width: 50px; text-align: center;">Yes</table>  |                       |   |   |                               |                            |                              |             |         |         |         |         |         |        |             |              |             |              |              |             |         |         |         |         |         |        |             |             |             |             |             |             |         |         |         |         |         |        |             |             |             |             |             |
| <b>Comments on Specific Provisions:</b>   |                       |   |   |                               |                            |                              |             |         |         |         |         |         |        |             |              |             |              |              |             |         |         |         |         |         |        |             |             |             |             |             |             |         |         |         |         |         |        |             |             |             |             |             |
|   | <b>FY 2019 ACTUAL</b> | <b>FY 2020 ACTUAL</b>   | <b>FY 2021 ACTUAL</b>                       | <b>FY 2022 (year to date)</b> | <b>FY 2022 (Full Year)</b> | <b>FY 2023 (Budget Year)</b> |             |         |         |         |         |         |        |             |              |             |              |              |             |         |         |         |         |         |        |             |             |             |             |             |             |         |         |         |         |         |        |             |             |             |             |             |
| Certificates Issued (#)   | 249                   | 263   | 127   | 82                            | 200                        | 200                          |             |         |         |         |         |         |        |             |              |             |              |              |             |         |         |         |         |         |        |             |             |             |             |             |             |         |         |         |         |         |        |             |             |             |             |             |
| Projects/Participants (#)   | 58                    | 64  | 38  | 24                            | 50                         | 50                           |             |         |         |         |         |         |        |             |              |             |              |              |             |         |         |         |         |         |        |             |             |             |             |             |             |         |         |         |         |         |        |             |             |             |             |             |
| Amount Authorized   | \$4,253,693           | \$10,971,408  | \$9,787,696                                 | \$1,353,500                   | \$10,000,000               | \$10,000,000                 |             |         |         |         |         |         |        |             |              |             |              |              |             |         |         |         |         |         |        |             |             |             |             |             |             |         |         |         |         |         |        |             |             |             |             |             |
| Amount Issued   | \$3,308,659           | \$4,510,701   | \$3,592,427                                 | \$2,871,545                   | \$8,000,000                | \$8,000,000                  |             |         |         |         |         |         |        |             |              |             |              |              |             |         |         |         |         |         |        |             |             |             |             |             |             |         |         |         |         |         |        |             |             |             |             |             |
| Amount Redeemed   | \$5,001,344           | \$4,025,790   | \$4,119,706                                 | \$2,207,197                   | \$4,382,280                | \$4,382,280                  |             |         |         |         |         |         |        |             |              |             |              |              |             |         |         |         |         |         |        |             |             |             |             |             |             |         |         |         |         |         |        |             |             |             |             |             |
|   |                       |   |   |                               |                            |                              |             |         |         |         |         |         |        |             |              |             |              |              |             |         |         |         |         |         |        |             |             |             |             |             |             |         |         |         |         |         |        |             |             |             |             |             |
| FY 2021 EST. Amount Outstanding   | \$12,797,999          |   | FY 2021 EST. Amount Authorized but Unissued |                               | \$7,568,846                |                              |             |         |         |         |         |         |        |             |              |             |              |              |             |         |         |         |         |         |        |             |             |             |             |             |             |         |         |         |         |         |        |             |             |             |             |             |
| <b>HISTORICAL AND PROJECTED INFORMATION</b>   |                       |   |   |                               |                            |                              |             |         |         |         |         |         |        |             |              |             |              |              |             |         |         |         |         |         |        |             |             |             |             |             |             |         |         |         |         |         |        |             |             |             |             |             |
| <table border="1" style="margin-top: 10px; width: 100%; text-align: center;"> <caption>Amount Authorized</caption> <tr><th>Fiscal Year</th><td>FY 2019</td><td>FY 2020</td><td>FY 2021</td><td>FY 2022</td><td>FY 2023</td></tr> <tr><th>Amount</th><td>\$4,253,693</td><td>\$10,971,408</td><td>\$9,787,696</td><td>\$10,000,000</td><td>\$10,000,000</td></tr> </table> <table border="1" style="margin-top: 10px; width: 100%; text-align: center;"> <caption>Amount Issued</caption> <tr><th>Fiscal Year</th><td>FY 2019</td><td>FY 2020</td><td>FY 2021</td><td>FY 2022</td><td>FY 2023</td></tr> <tr><th>Amount</th><td>\$3,308,659</td><td>\$4,510,701</td><td>\$3,592,427</td><td>\$8,000,000</td><td>\$8,000,000</td></tr> </table> <table border="1" style="margin-top: 10px; width: 100%; text-align: center;"> <caption>Amount Redeemed</caption> <tr><th>Fiscal Year</th><td>FY 2019</td><td>FY 2020</td><td>FY 2021</td><td>FY 2022</td><td>FY 2023</td></tr> <tr><th>Amount</th><td>\$5,001,344</td><td>\$4,025,790</td><td>\$4,119,706</td><td>\$4,382,280</td><td>\$4,382,280</td></tr> </table>   |                       |   |   |                               |                            |                              | Fiscal Year | FY 2019 | FY 2020 | FY 2021 | FY 2022 | FY 2023 | Amount | \$4,253,693 | \$10,971,408 | \$9,787,696 | \$10,000,000 | \$10,000,000 | Fiscal Year | FY 2019 | FY 2020 | FY 2021 | FY 2022 | FY 2023 | Amount | \$3,308,659 | \$4,510,701 | \$3,592,427 | \$8,000,000 | \$8,000,000 | Fiscal Year | FY 2019 | FY 2020 | FY 2021 | FY 2022 | FY 2023 | Amount | \$5,001,344 | \$4,025,790 | \$4,119,706 | \$4,382,280 | \$4,382,280 |
| Fiscal Year   | FY 2019               | FY 2020   | FY 2021                                     | FY 2022                       | FY 2023                    |                              |             |         |         |         |         |         |        |             |              |             |              |              |             |         |         |         |         |         |        |             |             |             |             |             |             |         |         |         |         |         |        |             |             |             |             |             |
| Amount  | \$4,253,693           | \$10,971,408  | \$9,787,696                                 | \$10,000,000                  | \$10,000,000               |                              |             |         |         |         |         |         |        |             |              |             |              |              |             |         |         |         |         |         |        |             |             |             |             |             |             |         |         |         |         |         |        |             |             |             |             |             |
| Fiscal Year   | FY 2019               | FY 2020   | FY 2021                                     | FY 2022                       | FY 2023                    |                              |             |         |         |         |         |         |        |             |              |             |              |              |             |         |         |         |         |         |        |             |             |             |             |             |             |         |         |         |         |         |        |             |             |             |             |             |
| Amount  | \$3,308,659           | \$4,510,701   | \$3,592,427                                 | \$8,000,000                   | \$8,000,000                |                              |             |         |         |         |         |         |        |             |              |             |              |              |             |         |         |         |         |         |        |             |             |             |             |             |             |         |         |         |         |         |        |             |             |             |             |             |
| Fiscal Year   | FY 2019               | FY 2020   | FY 2021                                     | FY 2022                       | FY 2023                    |                              |             |         |         |         |         |         |        |             |              |             |              |              |             |         |         |         |         |         |        |             |             |             |             |             |             |         |         |         |         |         |        |             |             |             |             |             |
| Amount  | \$5,001,344           | \$4,025,790   | \$4,119,706                                 | \$4,382,280                   | \$4,382,280                |                              |             |         |         |         |         |         |        |             |              |             |              |              |             |         |         |         |         |         |        |             |             |             |             |             |             |         |         |         |         |         |        |             |             |             |             |             |
| <b>Comments on Historical and Projected Information:</b> The projections cannot precisely account for carry forward provision nor the individual credit holder's decision on when to claim a particular credit.   |                       |   |   |                               |                            |                              |             |         |         |         |         |         |        |             |              |             |              |              |             |         |         |         |         |         |        |             |             |             |             |             |             |         |         |         |         |         |        |             |             |             |             |             |

**Program Name:** Affordable Housing Assistance Tax Credit Program

**BENEFIT: COST ANALYSIS (includes only state revenue impacts)**

|                          | FY 2021<br>ACTIVITY | Other Fiscal Period<br>(12-years) | <b>Derivation of Benefits:</b><br>Investment: (a) \$8,633,590 in Residential Investment spending over years 2020-2021. (b) \$1,000,000 in Professional Services operations spending over years 2020-2021.<br>Employment: (a) N/A<br>Other Assumptions: (a) N/A<br>Incentives/Credits: (a) \$10,971,408 in tax credits over years 2021-2031 with 97.7 percent total redemption of credits anticipated.<br>Impacts occur Statewide. All Values in Constant Dollars. Assumptions provided by DED. Estimated using REMI. |
|--------------------------|---------------------|-----------------------------------|--|
| <b>BENEFITS</b>          |                     |                                   |  |
| Direct Fiscal Benefits   | \$1,687,783         | \$3,122,563                       |  |
| Indirect Fiscal Benefits | \$337,040           | \$623,556                         |  |
| <b>Total</b>             | <b>\$2,024,822</b>  | <b>\$3,746,120</b>                |  |
| <b>COSTS</b>             |                     |                                   |  |
| Direct Fiscal Costs      | \$1,468,154         | \$9,241,190                       |  |
| Indirect Fiscal Costs    | \$0                 | \$0                               |  |
| <b>Total</b>             | <b>\$1,468,154</b>  | <b>\$9,241,190</b>                |  |
| <b>BENEFIT: COST</b>     | <b>1.38</b>         | <b>0.41</b>                       |  |

The Affordable Housing Assistance Program (AHAP) increases the availability of rental housing and for sale housing that is affordable to low-income families. Other benefits include the removal of blight in communities and increased local tax revenues such as property taxes. The AHAP credit increases the capacity of non-profit housing organizations to build or renovate affordable housing for low-income families. The AHAP credit increases the amount of disposable income for low-income families by providing housing that is affordable to them. This improves the overall quality of their lives by providing additional income for other basic necessities such as food, clothing, healthcare and education. Lastly, the operating AHAP credit helps organizations attract donations to support operating funds, without which the agencies may not be able to administer their affordable housing programs.

**In FY-2021, every dollar of auth. program tax credits returns**

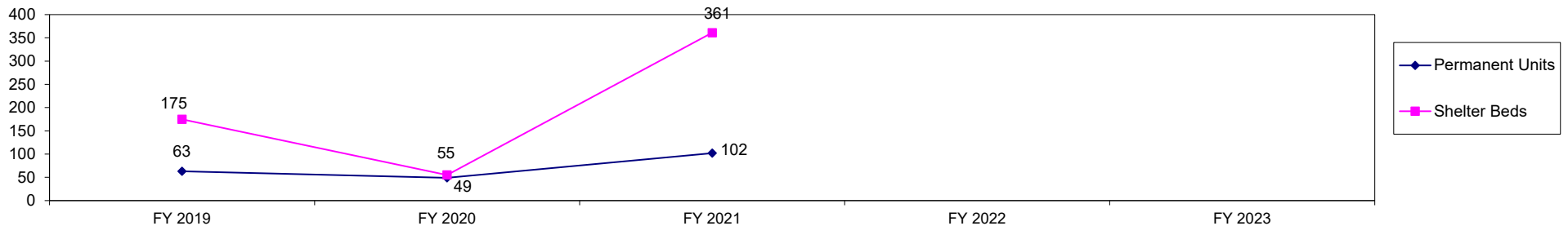
\$21.14 in new personal income totaling \$31.04 million  
\$33.39 in new value-added/GSP totaling \$49.02 million  
\$57.26 in new economic output totaling \$84.06 million

**Over 12 YEARS, every dollar of auth. program tax credits returns**

\$4.87 in new personal income totaling \$45.05 million  
\$6.02 in new value-added/GSP totaling \$55.63 million  
\$10.28 in new economic output totaling \$94.99 million

**PERFORMANCE MEASURE(S)**

**Permanent New Jobs Created**



**Comments on Performance Measure:**

The number of housing units produced is based on what is reported to MHDC by the non-profit sponsor of the development. Projects awarded AHAP credits may be awarded additional credits in succeeding years; however, these projects receiving AHAP credits are not counted as "new units". In this circumstance, MHDC places a new LURA on the units, extending the affordability period.

# LOW INCOME HOUSING TAX CREDIT PROGRAM

MISSOURI HOUSING DEVELOPMENT COMMISSION

## PURPOSE

An incentive for the new construction or rehabilitation of rental housing affordable to low and moderate income families in Missouri.

## AUTHORIZATION

Sections 135.350 to 135.363, RSMo

## HOW THE PROGRAM WORKS

This program leverages equity investments from the private sector for the development of rental housing, thereby reducing rents to affordable levels for low and moderate income families. It provides a state tax credit for ten years to qualified owners of affordable rental housing developments equal to approximately 9% of the eligible development costs. The state low-income housing tax credit may be allocated to a qualified development in an amount up to 100% of the federal tax credit allocated to the development. The total amount of federal 9% credits available is capped annually at an amount set by the IRS, based on the population of the state.

Developments financed with tax-exempt bonds are eligible to apply for state tax credits equal to approximately 4% of the eligible development costs. There is a \$6 million statutory annual cap on new authorizations of state 4% credits.

## ELIGIBLE AREAS

Statewide.

## ELIGIBLE APPLICANTS

Developers (private and not-for-profit) are eligible to apply for the tax credit.

## ELIGIBLE USE OF TAX CREDITS

This tax credit can be applied to:

- ✓ Ch. 143 – Income tax
- ✓ Ch. 147-Corporation Franchise tax
- ✓ Ch. 148 –
  - ✓ Bank Tax
  - ✓ Insurance Premium Tax
  - ✓ Other Financial Institutions Tax
- ✓ Ch. 153-Express Company Tax

This credit's special attributes:

- ✓ 10-year credit
- ✓ Carryback 3 years
- ✓ Carryforward 5 years
- ✓ Sellable or transferable within an ownership structure

## APPLICATION PROCEDURE

Each year MHDC publishes a notice of funding availability announcing the amount of credits available and the deadline for both 9% and 4% applications, which is typically in the fall. The process to determine the allocation of tax credits is competitive. MHDC staff reviews all proposals to determine the financial feasibility and the demand for affordable rental housing in the community. Staff typically makes its recommendations to the Commission from the fall application round in the winter. Depending on the availability of credits, a second round may be held for 4% applications in the spring, following the same competitive evaluation process. Staff also may accept 4% applications that request only 4% Federal LIHTC from MHDC on a rolling basis throughout the year as defined in the Notification of Funding Available.

## SPECIAL PROGRAM REQUIREMENTS

An eligible proposal must:

- ✓ Develop rental housing that (i) rents at least 20% of its units to families earning 50% of the area median income, or (ii) rents at least 40% of its units to families earning 60% of the area median income;
- ✓ Maintain the affordability of the rental units by restricting rents for an extended period of time, typically 30 years;

- ✓ Assist in the production of financially viable, market appropriate housing in areas of greatest housing need in the State;
- ✓ Be sponsored by an entity with prior successful housing experience and the ability to proceed in an expeditious manner.

An approved proposal must meet program standards including on-going compliance reviews concerning:

- ✓ Resident household eligibility;
- ✓ Rent restrictions;
- ✓ Occupancy standards;
- ✓ Physical property condition.

Income-Averaging, or the Average Income minimum set-aside requires at least 40% of units in a project be rent restricted and have household income limits that average at or below 60% area median gross income (AMGI).

- ✓ Income limits are designated in 10% increments from 20% to 80% AMGI.

## CONTACT

Missouri Housing Development Commission  
 920 Main Street, Suite 1400  
 Kansas City, MO 64105  
 Phone: 816-759-6636  
 E-mail: [skintz@mhdc.com](mailto:skintz@mhdc.com)

## ADDITIONAL RESOURCES

Go to the MHDC Rental Production page at [www.mhdc.com/rentalproduction/index.htm](http://www.mhdc.com/rentalproduction/index.htm) to obtain guidelines and forms for the Low Income Housing Tax Credit Program.



*Strength. Dignity. Quality of Life.*  
**MISSOURI HOUSING**  
 DEVELOPMENT COMMISSION

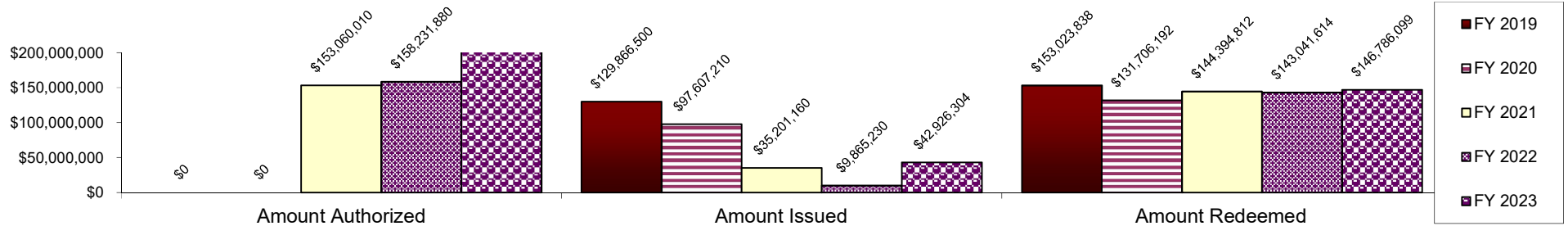
## TAX CREDIT ANALYSIS

|   |                       |                             |  |                               |                            |                              |  |                    |                             |                      |                              |  |
|---|-----------------------|-----------------------------|--|-------------------------------|----------------------------|------------------------------|--|--------------------|-----------------------------|----------------------|------------------------------|--|
| <b>Program Name:</b> Missouri Low Income Housing Tax Credit Program   |                       |                             |  |                               |                            |                              |  |                    |                             |                      |                              |  |
| <b>Department:</b> Missouri Housing Development Commission  |                       |                             | <b>Contact Name &amp; No.:</b> Samantha Gamble-Kintz (816) 759-6636  |                               |                            | <b>Date:</b> January 2022    |  |                    |                             |                      |                              |  |
| <b>Program Category:</b> Housing  |                       |                             | <b>Type:</b> Tax Credit <input checked="" type="checkbox"/> Other (specify) _____  |                               |                            |                              |  |                    |                             |                      |                              |  |
| <b>Statutory Authority:</b> Sections 135.350-135.363, RSMo  |                       |                             | <b>Applicable Taxes:</b> Income Tax, Corporate Franchise Tax, Insurance Company Annual Tax on Gross Premium Receipts, Other Financial Institutions Tax, Express Company Annual Tax on Gross Premium Receipts |                               |                            |                              |  |                    |                             |                      |                              |  |
| <b>Date of Origin:</b> 1990   |                       |                             |  |                               |                            |                              |  |                    |                             |                      |                              |  |
| <b>Program Description and Eligibility Requirements:</b><br>The Missouri Low Income Housing Tax Credit (MOLIHTC) is a ten-year state tax credit available to qualified owners of affordable rental housing. The MOLIHTC generates equity investments from the private sector for the development of new or rehabilitated rental housing which enables owners to lower rents to affordable levels for low-income families. A qualified development is one that (i) rents at least 20% of its units to families earning 50% of the area median family income, (ii) rents at least 40% of its units to families earning 60% of area median family income, each adjusted for family size, or (iii) rents at least 40% of its units to families whose income does not exceed the income limitation designated for the respective unit, where the average of the income-designated units may not exceed 60% AMGI. The development must (a) meet a demonstrated need for affordable rental housing in the community, (b) be economically feasible, (c) leverage tax credits with other financing, and (d) provide affordable rental housing for qualified low-income Missourians for an extended period of time.   |                       |                             |  |                               |                            |                              |  |                    |                             |                      |                              |  |
| <b>Explanation of How Award is Computed:</b> <table style="width: 100%; border: none;"> <tr> <td style="width: 30%;"></td> <td style="width: 10%; text-align: center;"><b>Entitlement</b></td> <td style="width: 10%; text-align: center;"><input type="checkbox"/> No</td> <td style="width: 10%; text-align: center;"><b>Discretionary</b></td> <td style="width: 10%; text-align: center;"><input type="checkbox"/> Yes</td> <td style="width: 30%;"></td> </tr> </table> <p>The amount of the MOLIHTC allocated to a given housing development is directly related to the percentage of low-income housing units made available to qualified low-income families and the acquisition, construction or rehabilitation expenditures necessary to create the development, less land and non-depreciable costs. There are two types of MOLIHTCs: 9% and 4%. Developments compete annually for the 9% MOLIHTC. Developments receiving an allocation of tax-exempt bond-financing from the Department of Economic Development may apply to receive the 4% MOLIHTC. The maximum amount of MOLIHTC that can be issued for any development is 100% of the federal LIHTC issued for the development.</p>  |                       |                             |  |                               |                            |                              |  | <b>Entitlement</b> | <input type="checkbox"/> No | <b>Discretionary</b> | <input type="checkbox"/> Yes |  |
|   | <b>Entitlement</b>    | <input type="checkbox"/> No | <b>Discretionary</b>   | <input type="checkbox"/> Yes  |                            |                              |  |                    |                             |                      |                              |  |
| <b>Program Cap:</b> Cumulative \$ _____ (remainder of cumulative cap) \$ _____ Annual <u>100% of Federal LIHTC for 9% and \$6 million for 4%</u> None _____<br><b>Explanation of cap:</b><br>The 9% MOLIHTC issued through the competitive application cycle is capped at 100% of the federal LIHTC or approx. \$2.87 per capita for 2021. The federal LIHTC allocation is temporarily increased pursuant to the Consolidated Appropriations Act 2018. The increase is in place for CYs 2018, 2019, 2020 and 2021. No more than six million dollars in tax credits shall be authorized each fiscal year for projects financed through tax-exempt bond issuance (4% MOLIHTC-RSMo 135.352). The MOLIHTC is taken annually over a ten year period. There are five year carry forward and three year back provisions.   |                       |                             |  |                               |                            |                              |  |                    |                             |                      |                              |  |
| <b>Explanation of Expiration of Authority:</b> The MOLIHTC program does not have a statutory sunset provision.  |                       |                             |  |                               |                            |                              |  |                    |                             |                      |                              |  |
| <b>Specific Provisions:</b> (if applicable)<br>Carry forward <input type="text" value="5 years"/> Carry Back <input type="text" value="3 years"/> Refundable <input type="text" value="No"/> Sellable/Assignable <input type="text" value="No"/> Additional Federal Deductions Available <input type="text" value="Yes"/>   |                       |                             |  |                               |                            |                              |  |                    |                             |                      |                              |  |
| <b>Comments on Specific Provisions:</b>   |                       |                             |  |                               |                            |                              |  |                    |                             |                      |                              |  |
|   | <b>FY 2019 ACTUAL</b> | <b>FY 2020 ACTUAL</b>       | <b>FY 2021 ACTUAL</b>  | <b>FY 2022 (year to date)</b> | <b>FY 2022 (Full Year)</b> | <b>FY 2023 (Budget Year)</b> |  |                    |                             |                      |                              |  |
| Certificates Issued (#)   | 185                   | 215                         | 107  | 2                             | 6                          | 68                           |  |                    |                             |                      |                              |  |
| Projects/Participants (#)   | 28                    | 22                          | 8  | 1                             | 3                          | 11                           |  |                    |                             |                      |                              |  |
| Amount Authorized   | \$0                   | \$0                         | \$153,060,010  | \$158,231,880                 | \$158,231,880              | \$219,940,248                |  |                    |                             |                      |                              |  |
| Amount Issued   | \$129,866,500         | \$97,607,210                | \$35,201,160   | \$1,370,240                   | \$9,865,230                | \$42,926,304                 |  |                    |                             |                      |                              |  |
| Amount Redeemed   | \$153,023,838         | \$131,706,192               | \$144,394,812  | \$68,398,344                  | \$143,041,614              | \$146,786,099                |  |                    |                             |                      |                              |  |
| FY 2022 EST. Amount Outstanding \$599,334,137 FY 2022 EST. Amount Authorized but Unissued \$315,768,330   |                       |                             |  |                               |                            |                              |  |                    |                             |                      |                              |  |
| Notes: 1) No MOLIHTCs were Authorized in FYs 2018, 2019 or 2020. The MOLIHTC was allocated in FY 2021. 2) The Actual Amount Issued represents the total 10 year stream of MOLIHTC issued in each FY. Each year 1/10th of the total MOLIHTC was issued for a low income housing development was eligible to be redeemed. For the FY2021 MOLIHTC, a pilot program of the Accelerated Redemption Model was introduced wherein the first five years of the credit are redeemed equal to the Federal annual amount, and the last five years divide up the remaining state allocation amount equally. The Department of Revenue is responsible for all redemption data. The EST. Amount Outstanding represents the cumulative amount of MOLIHTC issued, minus the cumulative amount of MOLIHTC redeemed, less expired/withdrawn/ suspended credits; EST Amount Outstanding reflects only those tax credits eligible to be redeemed. 5) The EST. Amount Authorized but Unissued represents developments that have received approval but have not completed construction or have not completed MHDC's process to receive their credits by an issuance of the Eligibility Statement. In order to determine the total maximum liability for MOLIHTC you may add the EST. Amount Outstanding and the EST. Amount Authorized but Unissued. FY 22 Authorized projections assume caps of 70% of the available federal LIHTC for the 9% MOLIHTC. |                       |                             |  |                               |                            |                              |  |                    |                             |                      |                              |  |

## TAX CREDIT ANALYSIS

**Program Name:** Missouri Low Income Housing Tax Credit Program

### HISTORICAL AND PROJECTED INFORMATION



**Comments on Historical and Projected Information:** 1) Historically, the amount of authorized and issued MOLIHTC has fluctuated based on the number and size of developments receiving an allocation of tax-exempt bond financing from DED and, therefore, receiving 4% MOLIHTCs. Authorized projections assume a 9% MOLIHTC up to 70% of the federal LIHTC allocation and a cap of \$3M Authorized annually for the 4% MOLIHTC. Issued projections include current MOLIHTCs that have been Authorized but have not yet completed construction; the majority of credits are issued in years 2 and 3 after Authorization. Redemption projections are based on a 3-year average and cannot precisely account for carry forward and carry back provisions nor the individual credit holder's decision on when to claim a particular credit.

### BENEFIT: COST ANALYSIS (includes only state revenue impacts)

|                          | FY 2021<br>ACTIVITY | Other Fiscal Period<br>(15 Years) | Derivation of Benefits:  |
|--------------------------|---------------------|-----------------------------------|--|
| <b>BENEFITS</b>          |                     |                                   | Investment: (a) \$676,649,483 in Residential Investment spending over years 2021-2022.   |
| Direct Fiscal Benefits   | \$14,140,762        | \$25,896,263                      | Employment: (a) 105 FTE employees in Rental/Leasing and Repair/Maintenance services in 2023-2035; (b) \$918,163 in annual maintenance contracting between in 2023-2035.  |
| Indirect Fiscal Benefits | \$691,176           | \$1,265,764                       | Other Assumptions: (a) 3,620 low income households with total increased disposable income spending of \$10,281,988 annually due to yearly rental savings of \$2,840 as compared to market rent.  |
| <b>Total</b>             | \$14,831,938        | \$27,162,027                      | Incentives/Credits: (a) \$136,198,000 in LIHTC tax credits over years 2022-2032.   |
| <b>COSTS</b>             |                     |                                   | Impacts occur Statewide. All Values in Constant Dollars. Assumptions provided by DED. Estimated using REMI.  |
| Direct Fiscal Costs      | \$0                 | \$120,808,061                     | The multi-year fiscal Benefit-Cost Ratio is 0.19 when other state program incentives (Historic Preservation, AHAP) are included. The multi-year fiscal Benefit-Cost Ratio is 0.18 if it is assumed that 40 percent of low income housing would be developed without the state LIHTC. |
| Indirect Fiscal Costs    | \$0                 | \$0                               |  |
| <b>Total</b>             | \$0                 | \$120,808,061                     |  |
| <b>BENEFIT: COST</b>     | <b>N/A</b>          | <b>0.22</b>                       |  |

#### Other Benefits:

The MOLIHTC program delivers rental housing that is affordable to low-income families, veterans, special needs tenants, and seniors. It reduces blight and improves communities through new construction and rehabilitation of affordable rental housing in Missouri. The reduced rents brought about by the MOLIHTC program increases households' disposable income and allows low-income families, veterans, special needs tenants, and seniors to meet more of their other basic necessities such as food, clothing, education and health care. The subsidy provided by the MOLIHTC program makes it economically feasible to develop new or rehabilitated affordable rental housing in many very low-income rural communities in Missouri. Finally, the equity raised from the MOLIHTC helps preserve affordable rental housing that is in danger of being lost from existing stock.

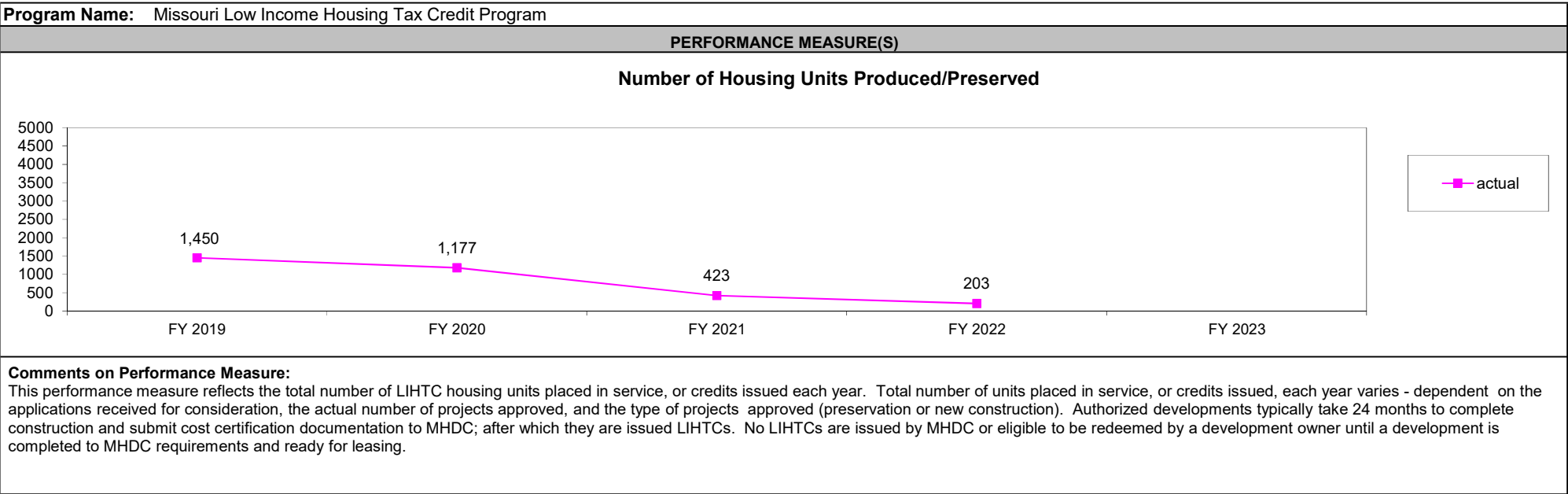
#### In FY-2021, every dollar of auth. program tax credits returns:

|                                     |                  |
|-------------------------------------|------------------|
| N/A in new personal income totaling | \$233.03 million |
| N/A in new value-added/GSP totaling | \$367.29 million |
| N/A in new economic output totaling | \$630.25 million |

#### Over 15 YEARS, every dollar of auth. program tax credits returns:

|  |                  |
|--|------------------|
| \$3.42 in new personal income totaling | \$413.65 million |
| \$3.96 in new value-added/GSP totaling | \$478.07 million |
| \$6.42 in new economic output totaling | \$775.57 million |

TAX CREDIT ANALYSIS





# BOND GUARANTEE

## MISSOURI DEVELOPMENT FINANCE BOARD

### **PURPOSE**

In the event of default, purchasers of bonds used for public entities benefit will receive tax credits for the amount of principle and interest due on the date of default.

### **AUTHORIZATION**

Section 100.297, RSMo

### **ELIGIBLE AREAS**

Statewide.

### **ELIGIBLE APPLICANTS**

Public governmental entities.

### **PROGRAM BENEFITS/ELIGIBLE USES**

The Missouri Development Finance Board may authorize a State income tax credit to the owner or private credit enhancer of public entity revenue bonds issued by the Board in the amount equal to the unpaid principal of and unpaid interest on such bonds in the taxable year of such owner.

This tax credit can be applied to:

- Ch. 143 – Income tax, excluding withholding tax
- Ch. 147 – Corporate franchise tax
- Ch. 148 – Bank tax, Insurance Premium Tax, Other Financial Institution Tax

This credit's special attributes:

- Carry-forward 10 years
- Assignable or transferable

### **APPLICATION/APPROVAL PROCEDURE**

Before issuing the bonds, the Board must determine that: (1) the availability of a tax credit is a material inducement to the undertaking of the project in the State and to the sale of the bonds; and (2) the loan with respect to the project is adequately secured by security satisfactory to the Board.

Any portion of the tax credit to which any owner or private credit enhancer of a bond is entitled that exceeds the total income tax liability of such owner may be carried forward and allowed as a credit against any future taxes imposed on such owner within the next 10 years.

### **CONTACT**

Missouri Development Finance Board  
 Senior Portfolio Manager  
 200 Madison Street, Suite 1000 • P.O. Box 567  
 Jefferson City, Missouri 65102  
 Phone: 573-751-8479 • Fax: 573-526-4418  
 Email: [mdfb@ded.mo.gov](mailto:mdfb@ded.mo.gov) • Web: [www.mdfb.org](http://www.mdfb.org)



## TAX CREDIT ANALYSIS

|  |                |  |   |                           |                               |                            |                              |
|--|----------------|--|---|---------------------------|-------------------------------|----------------------------|------------------------------|
| <b>Program Name:</b> MDFB Bond Guarantee   |                | <b>Contact Name &amp; No.:</b> Erica Griffin (573) 526-0772  |   | <b>Date:</b> January 2022 |                               |                            |                              |
| <b>Program Category:</b> Redevelopment   |                | <b>Type:</b> Tax Credit <u>X</u> Other (specify) _____   |   |                           |                               |                            |                              |
| <b>Statutory Authority:</b> Sections 100.297, RSMo   |                | <b>Applicable Taxes:</b> Income Tax, excluding Withholding Tax; Corporate Franchise Tax; Bank Tax; Insurance Premium Tax; Other Financial Institution Tax  |   |                           |                               |                            |                              |
| <b>Date of Origin:</b> 1989  |                |  |   |                           |                               |                            |                              |
| <b>Program Description and Eligibility Requirements:</b><br>The Tax Credit Bond Enhancement Program provides a tax credit enhancement on behalf of Public Entities for certain bonds. This program uses the Board's bond tax credits as collateral. Credits are <b>only redeemed</b> in the event of a default. Currently \$13,020,000 of the total is collateral for MDFB garage debt.  |                |  |   |                           |                               |                            |                              |
| <b>Explanation of How Award is Computed:</b>   |                | Entitlement <input type="text" value="No"/> Discretionary <input type="text" value="Yes"/><br>They are provided as additional security for the bonds. Tax credits are computed based on inability to meet debt service on bonds after all other resources are utilized and all compliance requirements are met on an annual basis. The credit is issued for the shortfall in an annual debt service payment. |   |                           |                               |                            |                              |
| <b>Program Cap:</b> Cumulative <u>\$50 million</u> (remainder of cumulative cap) <u>\$48,812,870</u> Annual \$ _____ None  |                |  |   |                           |                               |                            |                              |
| <b>Explanation of cap:</b><br>A cumulative cap of \$50,000,000 the remainder \$48,812,870 that may continue to be utilized as bond enhancements expire.  |                |  |   |                           |                               |                            |                              |
| <b>Explanation of Expiration of Authority:</b>   |                |  |   |                           |                               |                            |                              |
| <b>Specific Provisions:</b> (if applicable)<br>Carry forward <input type="text" value="10 years"/> Carry Back <input type="text" value="n/a"/> Refundable <input type="text" value="No"/> Sellable/Assignable <input type="text" value="Yes"/> Additional Federal Deductions Available <input type="text" value="No"/>   |                |  |   |                           |                               |                            |                              |
| <b>Comments on Specific Provisions:</b>  |                |  |   |                           |                               |                            |                              |
|  | <b>FY 2019</b> |  | <b>FY 2020 ACTUAL</b>                       | <b>FY 2021 ACTUAL</b>     | <b>FY 2022 (year to date)</b> | <b>FY 2022 (Full Year)</b> | <b>FY 2023 (Budget Year)</b> |
| Certificates Issued (#)  | 0              |  | 0   | 0                         | 0                             | 0                          | 0                            |
| Projects/Participants (#)  | 0              |  | 0   | 0                         | 0                             | 0                          | 0                            |
| Amount Authorized  | \$0            |  | \$0   | \$0                       | \$0                           | \$0                        | \$0                          |
| Amount Issued  | \$0            |  | \$0   | \$0                       | \$0                           | \$0                        | \$0                          |
| Amount Redeemed  | \$0            |  | \$0   | \$0                       | \$0                           | \$0                        | \$0                          |
| FY 2021 EST. Amount Outstanding  |                | \$0  | FY 2021 EST. Amount Authorized but Unissued |                           | \$13,020,000                  |                            |                              |
| <b>HISTORICAL AND PROJECTED INFORMATION</b>  |                |  |   |                           |                               |                            |                              |
| <div style="display: flex; align-items: flex-start;"> <div style="flex: 1;"> <p>The chart displays three categories on the X-axis: Amount Authorized, Amount Issued, and Amount Redeemed. The Y-axis represents dollar amounts from \$0 to \$20,000,000. For each category, there are five bars representing fiscal years FY 2019 (dark blue), FY 2020 (medium blue), FY 2021 (light blue), FY 2022 (dark blue with grid), and FY 2023 (medium blue with grid). All bars for all categories and all years are at the \$0 level.</p> </div> <div style="flex: 0.2; border: 1px solid black; padding: 5px; margin-left: 10px;"> <p>■ FY 2019</p> <p>■ FY 2020</p> <p>■ FY 2021</p> <p>■ FY 2022</p> <p>■ FY 2023</p> </div> </div> |                |  |   |                           |                               |                            |                              |
| <b>Comments on Historical and Projected Information:</b>   |                |  |   |                           |                               |                            |                              |

## TAX CREDIT ANALYSIS

**Program Name:** MDFB Bond Guarantee

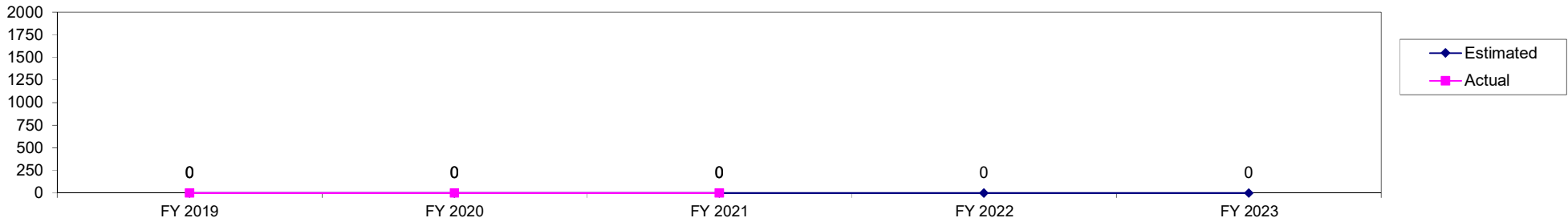
**BENEFIT: COST ANALYSIS (includes only state revenue impacts)**

|                          |                             |                            |  |
|--------------------------|-----------------------------|----------------------------|--|
|                          | <b>FY 2021<br/>ACTIVITY</b> | <b>Other Fiscal Period</b> | <b>Derivation of Benefits:</b><br>No new authorizations in FY2021. |
| <b>BENEFITS</b>          |                             |                            |  |
| Direct Fiscal Benefits   |                             |                            |  |
| Indirect Fiscal Benefits |                             |                            |  |
| <b>Total</b>             | \$0                         | \$0                        |  |
| <b>COSTS</b>             |                             |                            |  |
| Direct Fiscal Costs      |                             |                            |  |
| Indirect Fiscal Costs    |                             |                            |  |
| <b>Total</b>             | \$0                         | \$0                        |  |
| <b>BENEFIT: COST</b>     | <b>#DIV/0!</b>              | <b>#DIV/0!</b>             |  |

### Other Benefits:

### PERFORMANCE MEASURE(S)

## Permanent New Jobs Created



**Comments on Performance Measure:**



## BUILD PROGRAM

### AUTHORIZATION

Sections 100.700 to 100.850, RSMo

### ELIGIBLE AREAS

Statewide.

### ELIGIBLE APPLICANTS

- An eligible industry in manufacturing, processing, assembly, research and development, agricultural processing or services in interstate commerce must invest a minimum of \$15 million; or \$10 million for an office industry (regional, national or international headquarters, telecommunications operations, computer operations, insurance companies or credit card billing and processing centers) in an economic development project; and
- Create a minimum of one hundred new jobs for eligible employees at the economic development project or a minimum of 500 jobs if the economic development project is an office industry or a minimum of 200 new jobs if the economic development project is an office industry located within a distressed community as defined in Section 135.530, RSMo.
- Ineligible: Retail, health or professional services, intra-state relocations or replacement facilities.

### PROGRAM BENEFITS/ELIGIBLE USES

The bonds may be used to finance public or private infrastructure to support the project, or the new capital improvements of the business at the project location. Bond proceeds may not be used for working capital, inventory or other operating costs of the business or another entity.

This tax credit can be applied to:

- Ch. 143 – Income tax, excluding withholding tax
- Ch. 148 – Bank Tax, Insurance Premium Tax, Other Financial Institution Tax

This credit's special attributes: Refundable.

### FUNDING LIMITS

The amount of bonds to be issued will be determined by the Missouri Department of Economic Development (DED) and the Missouri Development Finance Board (MDFB), based on the need for funding to initiate the project, and limited to the state's economic benefit. The minimum bond issue is \$500,000.

### APPLICATION/APPROVAL PROCEDURE

The business must submit an application to DED and MDFB for review. Applications are due 15 business days prior to the first Monday of the month. DED and MDFB will review on a case-by-case basis.

### REPORTING REQUIREMENTS

The business must report to MDFB the number of new jobs; the total amount of salaries and wages paid to eligible employees and investment in capital improvements, semi-annually during the initial 3-year build out phase and annually for the term of the credits.

### SPECIAL PROGRAM REQUIREMENTS

The following conditions must be met for a project to be approved:

- Sale of Bonds: Unless otherwise approved by the Board, the Applicant will be required to purchase the Bonds.
- Cooperative Effort: The political subdivisions benefiting from the project or other local entities must commit significant local incentives relative to their economic benefit compared to the state. Such incentives may include tax abatement, discounted utility fees or others, to the extent allowed by law.
- "But For" Test: DED and the MDFB must determine that the program is a material factor in the company's decision to initiate the project, and this is certified by the business.
- Positive State Economic Impact: The amount of new direct and indirect state taxes over an 8- to 15-year period, as calculated by DED, must exceed the total amount of incentives provided by the state.
- Requirements: New full-time (35+ hours per week) jobs in a new or expanding business (not including identical jobs filled by recalled workers, replacement jobs or jobs which previously existed in the business) are considered to be "new jobs". The business or a related taxpayer cannot have employed them during the preceding twelve months. The wages for such employees must be above the average wage for the area.
- "Clawbacks": In the event the business does not fulfill the commitments made regarding the number of new jobs or capital investment, the tax credits will be reduced proportionately. In the event the business relocates or reduces the operation below the minimum standards for new jobs or capital investment prior to the term of the bonds, the tax credits received prior to that time must be repaid in full.
- Bond Purchase: Since the MDFB cannot guarantee the bonds, the business will likely have to purchase the Bonds.

### CONTACT

Missouri Development Finance Board  
Governors Office Building  
200 Madison Street, Ste 100 | P.O. Box 567  
Jefferson City, MO | 65102  
Phone: 573-751-8479 | Fax: 573-526-4418  
Email: [mdfb@ded.mo.gov](mailto:mdfb@ded.mo.gov) | Web: [www.mdfb.org](http://www.mdfb.org)

| <b>Program Name:</b> Business Use Incentives for Large-Scale Development (BUILD)   |                       |  |                       |   |                            |                              |             |        |         |              |         |              |         |             |         |             |         |              |             |        |         |              |         |              |         |              |         |              |         |              |             |        |         |              |         |             |         |              |         |              |         |              |
|--|-----------------------|--|-----------------------|---|----------------------------|------------------------------|-------------|--------|---------|--------------|---------|--------------|---------|-------------|---------|-------------|---------|--------------|-------------|--------|---------|--------------|---------|--------------|---------|--------------|---------|--------------|---------|--------------|-------------|--------|---------|--------------|---------|-------------|---------|--------------|---------|--------------|---------|--------------|
| <b>Department:</b> Economic Development  |                       | <b>Contact Name &amp; No.:</b> Erica Griffin (573) 522-4527  |                       |   | <b>Date:</b> January 2022  |                              |             |        |         |              |         |              |         |             |         |             |         |              |             |        |         |              |         |              |         |              |         |              |         |              |             |        |         |              |         |             |         |              |         |              |         |              |
| <b>Program Category:</b> Business Recruitment  |                       | <b>Type:</b> Tax Credit <input checked="" type="checkbox"/> Other (specify) _____  |                       |   |                            |                              |             |        |         |              |         |              |         |             |         |             |         |              |             |        |         |              |         |              |         |              |         |              |         |              |             |        |         |              |         |             |         |              |         |              |         |              |
| <b>Statutory Authority:</b> Sections 100.700-100.850, RSMo   |                       | <b>Applicable Taxes:</b> Income Tax, Bank Tax, Insurance Premium Tax, Other Financial Institution Tax                                |                       |   |                            |                              |             |        |         |              |         |              |         |             |         |             |         |              |             |        |         |              |         |              |         |              |         |              |         |              |             |        |         |              |         |             |         |              |         |              |         |              |
| <b>Date of Origin:</b> 1996  |                       |  |                       |   |                            |                              |             |        |         |              |         |              |         |             |         |             |         |              |             |        |         |              |         |              |         |              |         |              |         |              |             |        |         |              |         |             |         |              |         |              |         |              |
| <b>Program Description and Eligibility Requirements:</b><br>The incentives offered by the BUILD Missouri Program are designed to offset infrastructure and other capital costs of certain large projects by making the cost of investing in Missouri more competitive. The costs are financed through the issuance by the Board of certificates (bonds or notes) the principal and interest on which will be repaid by the business. Businesses are then reimbursed for these repayments through the issuance by the Board of Missouri State income tax credits. The businesses may use these credits against taxes, which would otherwise be due, or to obtain a refund if the business has no Missouri income tax liability. All businesses that manufacture, process (including agricultural processing) or assemble products are eligible. Businesses that conduct research and development or provide services in interstate commerce are also eligible. Certain office industries are also eligible. A manufacturing business must invest a minimum of \$15 million and 100 new jobs. An office business must invest a minimum of \$10 million and 500 jobs. There are other factors.  |                       |  |                       |   |                            |                              |             |        |         |              |         |              |         |             |         |             |         |              |             |        |         |              |         |              |         |              |         |              |         |              |             |        |         |              |         |             |         |              |         |              |         |              |
| <b>Explanation of How Award is Computed:</b>   |                       | Entitlement <input type="checkbox"/> No <input type="checkbox"/> Discretionary <input type="checkbox"/> Yes <input type="checkbox"/> |                       |   |                            |                              |             |        |         |              |         |              |         |             |         |             |         |              |             |        |         |              |         |              |         |              |         |              |         |              |             |        |         |              |         |             |         |              |         |              |         |              |
| The award is computed based on principal, interest and board fees annually and limited to be no more that 5% of gross wages of each eligible employee whose job was created as a result of the project.  |                       |  |                       |   |                            |                              |             |        |         |              |         |              |         |             |         |             |         |              |             |        |         |              |         |              |         |              |         |              |         |              |             |        |         |              |         |             |         |              |         |              |         |              |
| <b>Program Cap:</b> Cumulative \$ _____ (remainder of cumulative cap) \$ _____ Annual <u>\$25,000,000</u> None _____   |                       |  |                       |   |                            |                              |             |        |         |              |         |              |         |             |         |             |         |              |             |        |         |              |         |              |         |              |         |              |         |              |             |        |         |              |         |             |         |              |         |              |         |              |
| <b>Explanation of cap:</b><br>Aggregate amount of debt reduction assessments of all companies with bonds outstanding and still active shall not exceed \$25 million annually. Beginning with FY 2018 Actual, the Amount Authorized is reported as the total authorized credits available to be issued to all companies during the fiscal year.   |                       |  |                       |   |                            |                              |             |        |         |              |         |              |         |             |         |             |         |              |             |        |         |              |         |              |         |              |         |              |         |              |             |        |         |              |         |             |         |              |         |              |         |              |
| <b>Explanation of Expiration of Authority:</b>   |                       |  |                       |   |                            |                              |             |        |         |              |         |              |         |             |         |             |         |              |             |        |         |              |         |              |         |              |         |              |         |              |             |        |         |              |         |             |         |              |         |              |         |              |
| <b>Specific Provisions:</b> (if applicable)<br>Carry forward <input type="text" value="n/a"/> Carry Back <input type="text" value="n/a"/> Refundable <input type="text" value="Yes"/> Sellable/Assignable <input type="text" value="No"/> Additional Federal Deductions Available <input type="text" value="No"/>  |                       |  |                       |   |                            |                              |             |        |         |              |         |              |         |             |         |             |         |              |             |        |         |              |         |              |         |              |         |              |         |              |             |        |         |              |         |             |         |              |         |              |         |              |
| <b>Comments on Specific Provisions:</b>  |                       |  |                       |   |                            |                              |             |        |         |              |         |              |         |             |         |             |         |              |             |        |         |              |         |              |         |              |         |              |         |              |             |        |         |              |         |             |         |              |         |              |         |              |
|  | <b>FY 2019 ACTUAL</b> | <b>FY 2020 ACTUAL</b>  | <b>FY 2021 ACTUAL</b> | <b>FY 2022 (year to date)</b>               | <b>FY 2022 (Full Year)</b> | <b>FY 2023 (Budget Year)</b> |             |        |         |              |         |              |         |             |         |             |         |              |             |        |         |              |         |              |         |              |         |              |         |              |             |        |         |              |         |             |         |              |         |              |         |              |
| Certificates Issued (#)  | 40                    | 33   | 44                    | 16  | 43                         | 43                           |             |        |         |              |         |              |         |             |         |             |         |              |             |        |         |              |         |              |         |              |         |              |         |              |             |        |         |              |         |             |         |              |         |              |         |              |
| Projects/Participants (#)  | 41                    | 42   | 43                    | 42  | 42                         | 41                           |             |        |         |              |         |              |         |             |         |             |         |              |             |        |         |              |         |              |         |              |         |              |         |              |             |        |         |              |         |             |         |              |         |              |         |              |
| Amount Authorized  | \$16,704,360          | \$18,061,283   | \$3,725,610           | \$1,537,314                                 | \$7,452,607                | \$10,447,368                 |             |        |         |              |         |              |         |             |         |             |         |              |             |        |         |              |         |              |         |              |         |              |         |              |             |        |         |              |         |             |         |              |         |              |         |              |
| Amount Issued  | \$15,749,741          | \$16,443,339   | \$17,581,614          | \$5,822,951                                 | \$18,162,842               | \$18,063,201                 |             |        |         |              |         |              |         |             |         |             |         |              |             |        |         |              |         |              |         |              |         |              |         |              |             |        |         |              |         |             |         |              |         |              |         |              |
| Amount Redeemed  | \$13,776,256          | \$8,897,698  | \$12,343,210          | \$11,153,469                                | \$18,462,842               | \$18,063,201                 |             |        |         |              |         |              |         |             |         |             |         |              |             |        |         |              |         |              |         |              |         |              |         |              |             |        |         |              |         |             |         |              |         |              |         |              |
| FY 2021 EST. Amount Outstanding  |                       | \$23,717,407   |                       | FY 2021 EST. Amount Authorized but Unissued |                            | \$154,278,317                |             |        |         |              |         |              |         |             |         |             |         |              |             |        |         |              |         |              |         |              |         |              |         |              |             |        |         |              |         |             |         |              |         |              |         |              |
| <b>HISTORICAL AND PROJECTED INFORMATION</b>  |                       |  |                       |   |                            |                              |             |        |         |              |         |              |         |             |         |             |         |              |             |        |         |              |         |              |         |              |         |              |         |              |             |        |         |              |         |             |         |              |         |              |         |              |
| <table border="1" style="display: none;"> <caption>Amount Authorized</caption> <thead> <tr><th>Fiscal Year</th><th>Amount</th></tr> </thead> <tbody> <tr><td>FY 2019</td><td>\$16,704,360</td></tr> <tr><td>FY 2020</td><td>\$18,061,283</td></tr> <tr><td>FY 2021</td><td>\$3,725,610</td></tr> <tr><td>FY 2022</td><td>\$7,452,607</td></tr> <tr><td>FY 2023</td><td>\$10,447,368</td></tr> </tbody> </table> <table border="1" style="display: none;"> <caption>Amount Issued</caption> <thead> <tr><th>Fiscal Year</th><th>Amount</th></tr> </thead> <tbody> <tr><td>FY 2019</td><td>\$15,749,741</td></tr> <tr><td>FY 2020</td><td>\$16,443,339</td></tr> <tr><td>FY 2021</td><td>\$17,581,614</td></tr> <tr><td>FY 2022</td><td>\$18,162,842</td></tr> <tr><td>FY 2023</td><td>\$18,063,201</td></tr> </tbody> </table> <table border="1" style="display: none;"> <caption>Amount Redeemed</caption> <thead> <tr><th>Fiscal Year</th><th>Amount</th></tr> </thead> <tbody> <tr><td>FY 2019</td><td>\$13,776,256</td></tr> <tr><td>FY 2020</td><td>\$8,897,698</td></tr> <tr><td>FY 2021</td><td>\$12,343,210</td></tr> <tr><td>FY 2022</td><td>\$18,462,842</td></tr> <tr><td>FY 2023</td><td>\$18,063,201</td></tr> </tbody> </table> |                       |  |                       |   |                            |                              | Fiscal Year | Amount | FY 2019 | \$16,704,360 | FY 2020 | \$18,061,283 | FY 2021 | \$3,725,610 | FY 2022 | \$7,452,607 | FY 2023 | \$10,447,368 | Fiscal Year | Amount | FY 2019 | \$15,749,741 | FY 2020 | \$16,443,339 | FY 2021 | \$17,581,614 | FY 2022 | \$18,162,842 | FY 2023 | \$18,063,201 | Fiscal Year | Amount | FY 2019 | \$13,776,256 | FY 2020 | \$8,897,698 | FY 2021 | \$12,343,210 | FY 2022 | \$18,462,842 | FY 2023 | \$18,063,201 |
| Fiscal Year  | Amount                |  |                       |   |                            |                              |             |        |         |              |         |              |         |             |         |             |         |              |             |        |         |              |         |              |         |              |         |              |         |              |             |        |         |              |         |             |         |              |         |              |         |              |
| FY 2019  | \$16,704,360          |  |                       |   |                            |                              |             |        |         |              |         |              |         |             |         |             |         |              |             |        |         |              |         |              |         |              |         |              |         |              |             |        |         |              |         |             |         |              |         |              |         |              |
| FY 2020  | \$18,061,283          |  |                       |   |                            |                              |             |        |         |              |         |              |         |             |         |             |         |              |             |        |         |              |         |              |         |              |         |              |         |              |             |        |         |              |         |             |         |              |         |              |         |              |
| FY 2021  | \$3,725,610           |  |                       |   |                            |                              |             |        |         |              |         |              |         |             |         |             |         |              |             |        |         |              |         |              |         |              |         |              |         |              |             |        |         |              |         |             |         |              |         |              |         |              |
| FY 2022  | \$7,452,607           |  |                       |   |                            |                              |             |        |         |              |         |              |         |             |         |             |         |              |             |        |         |              |         |              |         |              |         |              |         |              |             |        |         |              |         |             |         |              |         |              |         |              |
| FY 2023  | \$10,447,368          |  |                       |   |                            |                              |             |        |         |              |         |              |         |             |         |             |         |              |             |        |         |              |         |              |         |              |         |              |         |              |             |        |         |              |         |             |         |              |         |              |         |              |
| Fiscal Year  | Amount                |  |                       |   |                            |                              |             |        |         |              |         |              |         |             |         |             |         |              |             |        |         |              |         |              |         |              |         |              |         |              |             |        |         |              |         |             |         |              |         |              |         |              |
| FY 2019  | \$15,749,741          |  |                       |   |                            |                              |             |        |         |              |         |              |         |             |         |             |         |              |             |        |         |              |         |              |         |              |         |              |         |              |             |        |         |              |         |             |         |              |         |              |         |              |
| FY 2020  | \$16,443,339          |  |                       |   |                            |                              |             |        |         |              |         |              |         |             |         |             |         |              |             |        |         |              |         |              |         |              |         |              |         |              |             |        |         |              |         |             |         |              |         |              |         |              |
| FY 2021  | \$17,581,614          |  |                       |   |                            |                              |             |        |         |              |         |              |         |             |         |             |         |              |             |        |         |              |         |              |         |              |         |              |         |              |             |        |         |              |         |             |         |              |         |              |         |              |
| FY 2022  | \$18,162,842          |  |                       |   |                            |                              |             |        |         |              |         |              |         |             |         |             |         |              |             |        |         |              |         |              |         |              |         |              |         |              |             |        |         |              |         |             |         |              |         |              |         |              |
| FY 2023  | \$18,063,201          |  |                       |   |                            |                              |             |        |         |              |         |              |         |             |         |             |         |              |             |        |         |              |         |              |         |              |         |              |         |              |             |        |         |              |         |             |         |              |         |              |         |              |
| Fiscal Year  | Amount                |  |                       |   |                            |                              |             |        |         |              |         |              |         |             |         |             |         |              |             |        |         |              |         |              |         |              |         |              |         |              |             |        |         |              |         |             |         |              |         |              |         |              |
| FY 2019  | \$13,776,256          |  |                       |   |                            |                              |             |        |         |              |         |              |         |             |         |             |         |              |             |        |         |              |         |              |         |              |         |              |         |              |             |        |         |              |         |             |         |              |         |              |         |              |
| FY 2020  | \$8,897,698           |  |                       |   |                            |                              |             |        |         |              |         |              |         |             |         |             |         |              |             |        |         |              |         |              |         |              |         |              |         |              |             |        |         |              |         |             |         |              |         |              |         |              |
| FY 2021  | \$12,343,210          |  |                       |   |                            |                              |             |        |         |              |         |              |         |             |         |             |         |              |             |        |         |              |         |              |         |              |         |              |         |              |             |        |         |              |         |             |         |              |         |              |         |              |
| FY 2022  | \$18,462,842          |  |                       |   |                            |                              |             |        |         |              |         |              |         |             |         |             |         |              |             |        |         |              |         |              |         |              |         |              |         |              |             |        |         |              |         |             |         |              |         |              |         |              |
| FY 2023  | \$18,063,201          |  |                       |   |                            |                              |             |        |         |              |         |              |         |             |         |             |         |              |             |        |         |              |         |              |         |              |         |              |         |              |             |        |         |              |         |             |         |              |         |              |         |              |
| <b>Comments on Historical and Projected Information:</b>   |                       |  |                       |   |                            |                              |             |        |         |              |         |              |         |             |         |             |         |              |             |        |         |              |         |              |         |              |         |              |         |              |             |        |         |              |         |             |         |              |         |              |         |              |

**Program Name:** Business Use Incentives for Large-Scale Development (BUILD)

**BENEFIT: COST ANALYSIS (includes only state revenue impacts)**

|                          | FY 2021<br>ACTIVITY | Other Fiscal Period<br>(15-years) |
|--------------------------|---------------------|-----------------------------------|
| <b>BENEFITS</b>          |                     |                                   |
| Direct Fiscal Benefits   | \$1,242,919         | \$13,177,129                      |
| Indirect Fiscal Benefits | \$1,574,159         | \$16,688,851                      |
| <b>Total</b>             | <b>\$2,817,078</b>  | <b>\$29,865,980</b>               |
| <b>COSTS</b>             |                     |                                   |
| Direct Fiscal Costs      | \$248,374           | \$3,243,726                       |
| Indirect Fiscal Costs    |                     |                                   |
| <b>Total</b>             | <b>\$248,374</b>    | <b>\$3,243,726</b>                |
| <b>BENEFIT: COST</b>     | <b>11.34</b>        | <b>9.21</b>                       |

**Derivation of Benefits:**

Investment: (a) \$70,000,000 in Durable Equipment spending overs years 2021-2023.  
Employment: (a) 800 jobs in Warehousing and Storage at average wage rates in 2021-2035.  
Other Assumptions: N/A  
Incentives/Credits: (a) \$3,725,610 in BUILD over years 2021-2035.  
Impacts occur Statewide. All Values in Constant Dollars. Assumptions provided by DED. Estimated using REMI.  
The multi-year fiscal Benefit-Cost Ratio is 4.29 when other program incentives (Missouri Works) are included.

**Other Benefits:**

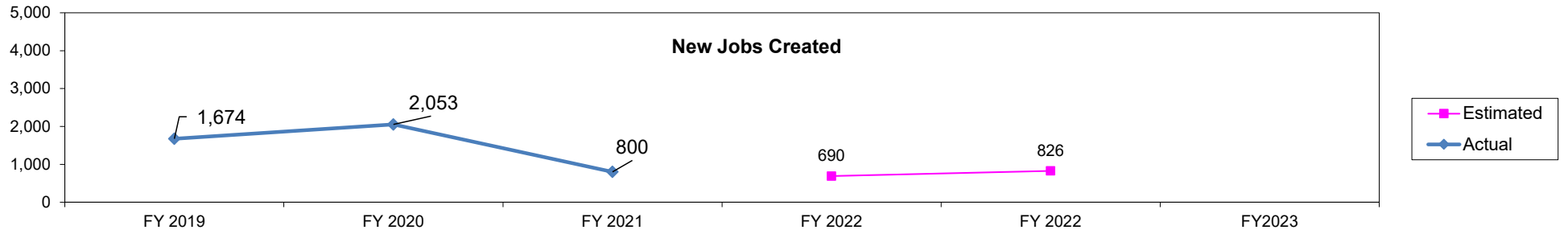
**In FY-2021, every dollar of auth. program tax credits returns**

\$276.25 in new personal income totaling \$68.61 million \$336.34 in  
new value-added/GSP totaling \$83.54 million \$614.50 in new  
economic output totaling \$152.63 million

**Over 15 YEARS, every dollar of auth. program tax credits returns**

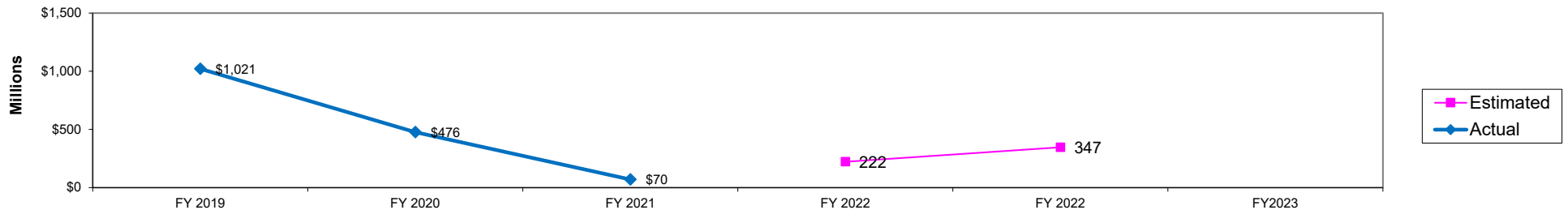
\$512.90 in new personal income totaling \$1,663.71 million \$404.17  
in new value-added/GSP totaling \$1,311.01 million \$715.73 in new  
economic output totaling \$2,321.64 million

**PERFORMANCE MEASURE(S)**



**Comments on Performance Measure:**

**Investment**



**Comments on Performance Measure:**



# TAX CREDIT FOR CONTRIBUTION PROGRAM

## (ALSO KNOWN AS THE INFRASTRUCTURE TAX CREDIT PROGRAM)

### MISSOURI DEVELOPMENT FINANCE BOARD

#### **PURPOSE**

Assist in the funding of capital improvement costs for qualified public facilities and public infrastructure projects within the state of Missouri.

#### **AUTHORIZATION**

Section 100.286(6), RSMo

#### **ELIGIBLE AREAS**

Statewide.

#### **ELIGIBLE APPLICANTS**

Public Entities in Missouri.

#### **ELIGIBILITY CRITERIA**

The Board will only consider applications submitted by a Public Entity and, in the case of any Public Entity created on behalf of and for the benefit of another governmental entity, the written approval of the application by such entity.

#### **PROGRAM BENEFITS/ELIGIBLE USES**

The Missouri Development Finance Board is authorized to grant a tax credit equal to 50% of contributions received from a taxpayer. The contributed funds are granted to local governments, state agencies or used by the MDFB to finance infrastructure improvements needed to facilitate an approved project.

"Infrastructure facilities" means the highways, streets, bridges, water supply and distribution systems; mass transportation facilities and equipment; telecommunication facilities, jails and prisons; sewers and sewage treatment facilities; wastewater treatment facilities; airports, railroads, reservoirs, dams and waterways in this state; acquisition of blighted real estate and the improvements thereon; demolition of existing structures and preparation of sites in anticipation of development; public facilities and any other improvements provided by any form of government or development agency. This tax credit can be applied to:

- Ch. 143 – Income tax, excluding withholding tax
- Ch. 147 – Corporate franchise tax
- Ch. 148 – Bank tax, Insurance Premium Tax, Other Financial Institution Tax

This credit's special attributes:

- Carry-forward 5 years
- Sellable or transferable
- All credits must be redeemed within 10 years

#### **FUNDING LIMITS**

The amount of credits approved in a calendar year cannot exceed \$10 million unless authorized by specific agency directors. Under no circumstances shall the amount approved exceed \$25 million.

#### **APPLICATION/APPROVAL PROCEDURE**

Applications are submitted to the MDFB for staff review and recommendation to the Board throughout the year. Annual deadlines established each calendar year.

#### **SPECIAL PROGRAM REQUIREMENTS**

Discretionary program and credits.

#### **CONTACT**

Missouri Development Finance Board  
Finance Programs Manager  
200 Madison Street, Suite 1000 • P.O. Box 567  
Jefferson City, Missouri 65102  
Phone: 573-751-8479 • Fax: 573-526-4418  
Email: mdffb@ded.mo.gov • Web: www.mdffb.org



## TAX CREDIT ANALYSIS

| <b>Program Name:</b> MDFB Infrastructure Development Fund Contribution Tax Credit   |                       |  |                       |                               |                            |                              |          |         |         |         |         |         |                   |              |              |     |              |              |               |             |             |             |             |             |                 |             |             |             |             |             |
|---|-----------------------|--|-----------------------|-------------------------------|----------------------------|------------------------------|----------|---------|---------|---------|---------|---------|-------------------|--------------|--------------|-----|--------------|--------------|---------------|-------------|-------------|-------------|-------------|-------------|-----------------|-------------|-------------|-------------|-------------|-------------|
| <b>Department:</b> Economic Development   |                       | <b>Contact Name &amp; No.:</b> Erica Griffin (573)522-4527   |                       |                               |                            | <b>Date:</b> January 2022    |          |         |         |         |         |         |                   |              |              |     |              |              |               |             |             |             |             |             |                 |             |             |             |             |             |
| <b>Program Category:</b> Redevelopment  |                       | <b>Type:</b> Tax Credit <input checked="" type="checkbox"/> Other (specify) _____  |                       |                               |                            |                              |          |         |         |         |         |         |                   |              |              |     |              |              |               |             |             |             |             |             |                 |             |             |             |             |             |
| <b>Statutory Authority:</b> Section 100.286, RSMo   |                       | <b>Applicable Taxes:</b> Income Tax, excluding Withholding Tax; Corporate Franchise Tax; Bank Tax; Insurance Premium Tax; Other Financial Institutions Tax |                       |                               |                            |                              |          |         |         |         |         |         |                   |              |              |     |              |              |               |             |             |             |             |             |                 |             |             |             |             |             |
| <b>Date of Origin:</b> 1985   |                       |  |                       |                               |                            |                              |          |         |         |         |         |         |                   |              |              |     |              |              |               |             |             |             |             |             |                 |             |             |             |             |             |
| <b>Program Description and Eligibility Requirements:</b><br>Through this program, the Missouri Development Finance Board is authorized to grant tax credits equal to fifty percent of contributions. Contributions are used to pay the cost of infrastructure construction.   |                       |  |                       |                               |                            |                              |          |         |         |         |         |         |                   |              |              |     |              |              |               |             |             |             |             |             |                 |             |             |             |             |             |
| <b>Explanation of How Award is Computed:</b> <b>Entitlement</b> <input type="checkbox"/> No <b>Discretionary</b> <input type="checkbox"/> Yes<br>Tax Credit is 50% of contribution received from taxpayer for specific approved project.  |                       |  |                       |                               |                            |                              |          |         |         |         |         |         |                   |              |              |     |              |              |               |             |             |             |             |             |                 |             |             |             |             |             |
| <b>Program Cap:</b> Cumulative \$ _____ (remainder of cumulative cap) \$ _____ Annual \$(See Below) None _____<br><b>Explanation of cap:</b><br>The Board can authorize a maximum of \$10 million in tax credits during any <b>calendar year</b> . The statutory limit can be increased an additional \$15 million with the consent of the Directors of Department of Economic Development, Department of Revenue, and the Commissioner of Administration. Maximum authorization not to exceed \$25 million. During the last three <b>calendar years</b> the authorized tax credits were 2019-\$10 million, 2020-\$5.8 million, and 2021-\$4.8 million.   |                       |  |                       |                               |                            |                              |          |         |         |         |         |         |                   |              |              |     |              |              |               |             |             |             |             |             |                 |             |             |             |             |             |
| <b>Explanation of Expiration of Authority:</b> N/A  |                       |  |                       |                               |                            |                              |          |         |         |         |         |         |                   |              |              |     |              |              |               |             |             |             |             |             |                 |             |             |             |             |             |
| <b>Specific Provisions:</b> (if applicable)<br>Carry forward <input type="text" value="5 years"/> Carry Back <input type="text" value="n/a"/> Refundable <input type="text" value="No"/> Sellable/Assignable <input type="text" value="Yes"/> Additional Federal Deductions Available <input type="text" value="No"/>   |                       |  |                       |                               |                            |                              |          |         |         |         |         |         |                   |              |              |     |              |              |               |             |             |             |             |             |                 |             |             |             |             |             |
| <b>Comments on Specific Provisions:</b>   |                       |  |                       |                               |                            |                              |          |         |         |         |         |         |                   |              |              |     |              |              |               |             |             |             |             |             |                 |             |             |             |             |             |
|   | <b>FY 2019 ACTUAL</b> | <b>FY 2020 ACTUAL</b>  | <b>FY 2021 ACTUAL</b> | <b>FY 2022 (year to date)</b> | <b>FY 2022 (Full Year)</b> | <b>FY 2023 (Budget Year)</b> |          |         |         |         |         |         |                   |              |              |     |              |              |               |             |             |             |             |             |                 |             |             |             |             |             |
| Certificates Issued (#)   | 204                   | 119  | 109                   | 93                            | 120                        | 150                          |          |         |         |         |         |         |                   |              |              |     |              |              |               |             |             |             |             |             |                 |             |             |             |             |             |
| Projects/Participants (#)   | 18                    | 16   | 12                    | 14                            | 16                         | 16                           |          |         |         |         |         |         |                   |              |              |     |              |              |               |             |             |             |             |             |                 |             |             |             |             |             |
| Amount Authorized   | \$10,250,000          | \$10,752,500   | \$0                   | \$4,850,000                   | \$10,000,000               | \$10,000,000                 |          |         |         |         |         |         |                   |              |              |     |              |              |               |             |             |             |             |             |                 |             |             |             |             |             |
| Amount Issued   | \$5,904,205           | \$6,626,743  | \$6,513,799           | \$2,193,985                   | \$4,419,870                | \$4,419,870                  |          |         |         |         |         |         |                   |              |              |     |              |              |               |             |             |             |             |             |                 |             |             |             |             |             |
| Amount Redeemed   | \$5,529,458           | \$7,675,966  | \$3,750,911           | \$3,824,848                   | \$4,419,870                | \$4,419,870                  |          |         |         |         |         |         |                   |              |              |     |              |              |               |             |             |             |             |             |                 |             |             |             |             |             |
| FY 2021 EST. Amount Outstanding                      \$12,795,423                      FY 2021 EST. Amount Authorized but Unissued                      \$12,099,352  |                       |  |                       |                               |                            |                              |          |         |         |         |         |         |                   |              |              |     |              |              |               |             |             |             |             |             |                 |             |             |             |             |             |
| <b>HISTORICAL AND PROJECTED INFORMATION</b>   |                       |  |                       |                               |                            |                              |          |         |         |         |         |         |                   |              |              |     |              |              |               |             |             |             |             |             |                 |             |             |             |             |             |
| <table border="1" style="margin-top: 10px; width: 100%; border-collapse: collapse;"> <caption>Historical and Projected Information Data</caption> <thead> <tr> <th>Category</th> <th>FY 2019</th> <th>FY 2020</th> <th>FY 2021</th> <th>FY 2022</th> <th>FY 2023</th> </tr> </thead> <tbody> <tr> <td>Amount Authorized</td> <td>\$10,250,000</td> <td>\$10,752,500</td> <td>\$0</td> <td>\$10,000,000</td> <td>\$10,000,000</td> </tr> <tr> <td>Amount Issued</td> <td>\$5,904,205</td> <td>\$6,626,743</td> <td>\$6,513,799</td> <td>\$4,419,870</td> <td>\$4,419,870</td> </tr> <tr> <td>Amount Redeemed</td> <td>\$5,529,458</td> <td>\$7,675,966</td> <td>\$3,750,911</td> <td>\$4,419,870</td> <td>\$4,419,870</td> </tr> </tbody> </table> |                       |  |                       |                               |                            |                              | Category | FY 2019 | FY 2020 | FY 2021 | FY 2022 | FY 2023 | Amount Authorized | \$10,250,000 | \$10,752,500 | \$0 | \$10,000,000 | \$10,000,000 | Amount Issued | \$5,904,205 | \$6,626,743 | \$6,513,799 | \$4,419,870 | \$4,419,870 | Amount Redeemed | \$5,529,458 | \$7,675,966 | \$3,750,911 | \$4,419,870 | \$4,419,870 |
| Category  | FY 2019               | FY 2020  | FY 2021               | FY 2022                       | FY 2023                    |                              |          |         |         |         |         |         |                   |              |              |     |              |              |               |             |             |             |             |             |                 |             |             |             |             |             |
| Amount Authorized   | \$10,250,000          | \$10,752,500   | \$0                   | \$10,000,000                  | \$10,000,000               |                              |          |         |         |         |         |         |                   |              |              |     |              |              |               |             |             |             |             |             |                 |             |             |             |             |             |
| Amount Issued   | \$5,904,205           | \$6,626,743  | \$6,513,799           | \$4,419,870                   | \$4,419,870                |                              |          |         |         |         |         |         |                   |              |              |     |              |              |               |             |             |             |             |             |                 |             |             |             |             |             |
| Amount Redeemed   | \$5,529,458           | \$7,675,966  | \$3,750,911           | \$4,419,870                   | \$4,419,870                |                              |          |         |         |         |         |         |                   |              |              |     |              |              |               |             |             |             |             |             |                 |             |             |             |             |             |
| <b>Comments on Historical and Projected Information:</b>  |                       |  |                       |                               |                            |                              |          |         |         |         |         |         |                   |              |              |     |              |              |               |             |             |             |             |             |                 |             |             |             |             |             |

## TAX CREDIT ANALYSIS

| <b>Program Name:</b> MDFB Infrastructure Development Fund Contribution Tax Credit   |                             |                            |  |             |                       |         |          |         |          |         |   |         |   |         |   |
|---|-----------------------------|----------------------------|--|-------------|-----------------------|---------|----------|---------|----------|---------|---|---------|---|---------|---|
| <b>BENEFIT: COST ANALYSIS (includes only state revenue impacts)</b>   |                             |                            |  |             |                       |         |          |         |          |         |   |         |   |         |   |
|   | <b>FY 2021<br/>ACTIVITY</b> | <b>Other Fiscal Period</b> | <b>Derivation of Benefits:</b><br>No new authorizations in FY2021. |             |                       |         |          |         |          |         |   |         |   |         |   |
| <b>BENEFITS</b>   |                             |                            |  |             |                       |         |          |         |          |         |   |         |   |         |   |
| Direct Fiscal Benefits  |                             |                            |  |             |                       |         |          |         |          |         |   |         |   |         |   |
| Indirect Fiscal Benefits  |                             |                            |  |             |                       |         |          |         |          |         |   |         |   |         |   |
| <b>Total</b>  | \$0                         | \$0                        |  |             |                       |         |          |         |          |         |   |         |   |         |   |
| <b>COSTS</b>  |                             |                            |  |             |                       |         |          |         |          |         |   |         |   |         |   |
| Direct Fiscal Costs   |                             |                            |  |             |                       |         |          |         |          |         |   |         |   |         |   |
| Indirect Fiscal Costs   |                             |                            |  |             |                       |         |          |         |          |         |   |         |   |         |   |
| <b>Total</b>  | \$0                         | \$0                        |  |             |                       |         |          |         |          |         |   |         |   |         |   |
| <b>BENEFIT: COST</b>  | <b>#DIV/0!</b>              | <b>#DIV/0!</b>             |  |             |                       |         |          |         |          |         |   |         |   |         |   |
| <b>Other Benefits:</b>  |                             |                            |  |             |                       |         |          |         |          |         |   |         |   |         |   |
| <b>PERFORMANCE MEASURE(S)</b>   |                             |                            |  |             |                       |         |          |         |          |         |   |         |   |         |   |
| <b>Permanent New Jobs Created</b>   |                             |                            |  |             |                       |         |          |         |          |         |   |         |   |         |   |
| <table border="1" style="margin-top: 10px; width: 100%; border-collapse: collapse;"> <caption>Permanent New Jobs Created Data</caption> <thead> <tr> <th>Fiscal Year</th> <th>Jobs Created</th> </tr> </thead> <tbody> <tr> <td>FY 2019</td> <td>1019</td> </tr> <tr> <td>FY 2020</td> <td>685</td> </tr> <tr> <td>FY 2021</td> <td>-</td> </tr> <tr> <td>FY 2022</td> <td>-</td> </tr> <tr> <td>FY 2023</td> <td>-</td> </tr> </tbody> </table>                        |                             |                            |  | Fiscal Year | Jobs Created          | FY 2019 | 1019     | FY 2020 | 685      | FY 2021 | - | FY 2022 | - | FY 2023 | - |
| Fiscal Year   | Jobs Created                |                            |  |             |                       |         |          |         |          |         |   |         |   |         |   |
| FY 2019   | 1019                        |                            |  |             |                       |         |          |         |          |         |   |         |   |         |   |
| FY 2020   | 685                         |                            |  |             |                       |         |          |         |          |         |   |         |   |         |   |
| FY 2021   | -                           |                            |  |             |                       |         |          |         |          |         |   |         |   |         |   |
| FY 2022   | -                           |                            |  |             |                       |         |          |         |          |         |   |         |   |         |   |
| FY 2023   | -                           |                            |  |             |                       |         |          |         |          |         |   |         |   |         |   |
| <b>Comments on Performance Measure:</b>   |                             |                            |  |             |                       |         |          |         |          |         |   |         |   |         |   |
| <b>Estimated Investment</b>   |                             |                            |  |             |                       |         |          |         |          |         |   |         |   |         |   |
| <table border="1" style="margin-top: 10px; width: 100%; border-collapse: collapse;"> <caption>Estimated Investment Data (Millions)</caption> <thead> <tr> <th>Fiscal Year</th> <th>Investment (Millions)</th> </tr> </thead> <tbody> <tr> <td>FY 2019</td> <td>\$146.30</td> </tr> <tr> <td>FY 2020</td> <td>\$483.29</td> </tr> <tr> <td>FY 2021</td> <td>-</td> </tr> <tr> <td>FY 2022</td> <td>-</td> </tr> <tr> <td>FY 2023</td> <td>-</td> </tr> </tbody> </table> |                             |                            |  | Fiscal Year | Investment (Millions) | FY 2019 | \$146.30 | FY 2020 | \$483.29 | FY 2021 | - | FY 2022 | - | FY 2023 | - |
| Fiscal Year   | Investment (Millions)       |                            |  |             |                       |         |          |         |          |         |   |         |   |         |   |
| FY 2019   | \$146.30                    |                            |  |             |                       |         |          |         |          |         |   |         |   |         |   |
| FY 2020   | \$483.29                    |                            |  |             |                       |         |          |         |          |         |   |         |   |         |   |
| FY 2021   | -                           |                            |  |             |                       |         |          |         |          |         |   |         |   |         |   |
| FY 2022   | -                           |                            |  |             |                       |         |          |         |          |         |   |         |   |         |   |
| FY 2023   | -                           |                            |  |             |                       |         |          |         |          |         |   |         |   |         |   |
| <b>Comments on Performance Measure:</b>   |                             |                            |  |             |                       |         |          |         |          |         |   |         |   |         |   |



# MISSOURI ONE START

**Ensuring Businesses have the Right Workforce,  
With the Right Skillset, at the Right Time**

## WHAT IT IS

Missouri One Start (RSMo. Sections 620.800-620.809) provides Missouri businesses with a comprehensive recruitment and training solution to support the specific workforce needs of eligible companies. As the state's premier workforce development program, Missouri One Start helps Missouri businesses of all sizes stay competitive by providing resources to train and upskill their new and existing employees.

## HOW IT WORKS

Missouri One Start partners with community colleges and other local education agencies to customize services ranging from pre-employment screening and recruitment to designing job-specific training both during and after the onboarding process. Missouri One Start provides training resources and funding to eligible company start-ups, expansions and existing companies needing to upskill current employees.

## PROGRAM BENEFITS

Missouri One Start's training programs are tailored to the unique workforce needs of a business, with flexibility in how services are delivered. Workers can receive training provided by in-house staff, preferred training vendors, or one of our training experts, located within a community college, state technical college or career technical center. Missouri One Start works directly with a business to develop and deliver customized training in process improvement, quality initiatives, team building leadership, or specific technical skills such as PLC, robotics and welding.

In addition, Missouri One Start can provide eligible companies with a wide range of recruitment strategies, customized screening

tools, and pre-employment training to ensure businesses have workers with the skills needed to be productive on their first day.

## WHO IS ELIGIBLE

Missouri One Start benefits Missouri companies of any size in a variety of industries.

## ELIGIBLE APPLICANTS INCLUDE

Aerospace, Bioscience, Manufacturing, Headquarter locations, Logistics & Distribution, Information Technology and other businesses engaged in interstate commerce.

Companies creating new jobs in Missouri or retraining existing employees as a result of substantial new capital investments.

Companies must offer health insurance to all full-time employees in Missouri and pay at least 50% of the premium.

Training assistance for full-time, permanent employees (working an average of at least 35 hours per week) earning competitive base wages and low turnover rates. Other eligibility criteria may apply.

*Funding is contingent upon applicable appropriation and availability of funds.*

## APPLICATION

Missouri One Start partners with a network of training experts located within a community college, state technical college or career technical center who assist companies in utilizing Missouri One Start. With the assistance of the network partner, an online application is completed and submitted to the Missouri One Start Division. The request must be received by the Missouri One Start Division before training costs are incurred and jobs are created or capital investments are

made. For more information, contact  
Missouri One Start at 573-526-9239.

## **CONTACT**

### **Missouri Department of Economic Development**

*Missouri One Start Division*

301 West High Street, Room 720 | P.O. Box

118 Jefferson City, MO | 65102

Phone: 573-526-9239

Web: [www.missourionestart.com](http://www.missourionestart.com)

## TAX CREDIT ANALYSIS

| <b>Program Name:</b> Missouri One Start Community College New Jobs Training Program   |                   |   |                |   |                            |                              |             |                   |         |             |         |             |         |     |         |             |         |              |             |               |         |     |         |     |         |     |         |     |         |     |             |                 |         |             |         |             |         |             |         |             |         |             |
|---|-------------------|---|----------------|---|----------------------------|------------------------------|-------------|-------------------|---------|-------------|---------|-------------|---------|-----|---------|-------------|---------|--------------|-------------|---------------|---------|-----|---------|-----|---------|-----|---------|-----|---------|-----|-------------|-----------------|---------|-------------|---------|-------------|---------|-------------|---------|-------------|---------|-------------|
| <b>Department:</b> Economic Development   |                   | <b>Contact Name &amp; No.:</b> Kristie Davis (573) 522-4019   |                |   |                            | <b>Date:</b> January 2022    |             |                   |         |             |         |             |         |     |         |             |         |              |             |               |         |     |         |     |         |     |         |     |         |     |             |                 |         |             |         |             |         |             |         |             |         |             |
| <b>Program Category:</b> Training & Educational   |                   | <b>Type:</b> Tax Credit <input type="checkbox"/> Other (specify) <u>X</u> (Appropriation based on employer withholding) |                |   |                            |                              |             |                   |         |             |         |             |         |     |         |             |         |              |             |               |         |     |         |     |         |     |         |     |         |     |             |                 |         |             |         |             |         |             |         |             |         |             |
| <b>Statutory Authority:</b> Sections 620.800-620.809, RSMo  |                   | <b>Applicable Taxes:</b> N/A; This is an appropriation of funds, not a credit.  |                |   |                            |                              |             |                   |         |             |         |             |         |     |         |             |         |              |             |               |         |     |         |     |         |     |         |     |         |     |             |                 |         |             |         |             |         |             |         |             |         |             |
| <b>Date of Origin:</b> 1988   |                   |   |                |   |                            |                              |             |                   |         |             |         |             |         |     |         |             |         |              |             |               |         |     |         |     |         |     |         |     |         |     |             |                 |         |             |         |             |         |             |         |             |         |             |
| <b>Program Description and Eligibility Requirements:</b><br>The program provides assistance to eligible companies to train workers in newly created jobs. This program is suited for large attraction and expansion projects creating a substantial number of new jobs. Funds are generated by deferring a portion of the state employer withholding tax - approximately 2% - on the newly created jobs. Eligible companies include manufacturing, research and development, and companies engaged in interstate commerce. This program is administered locally through the community colleges.   |                   |   |                |   |                            |                              |             |                   |         |             |         |             |         |     |         |             |         |              |             |               |         |     |         |     |         |     |         |     |         |     |             |                 |         |             |         |             |         |             |         |             |         |             |
| <b>Explanation of How Award is Computed:</b> <div style="display: flex; justify-content: space-between;"> <div>Entitlement <input type="checkbox"/> No <input type="checkbox"/></div> <div>Discretionary <input type="checkbox"/> Yes <input type="checkbox"/></div> </div> <p>A formula using the number of jobs to be created and the average annual salary of the workers in the new jobs calculates the amount that can be generated over a period of several years through the diversion of a portion of the employer withholding tax (approximately 2%). Discretionary measures such as review of types of industry and wage rates paid are considered before approving a project.</p>  |                   |   |                |   |                            |                              |             |                   |         |             |         |             |         |     |         |             |         |              |             |               |         |     |         |     |         |     |         |     |         |     |             |                 |         |             |         |             |         |             |         |             |         |             |
| <b>Program Cap:</b> Annual Appropriation <u>\$16,000,000</u> (remainder of annual appropriation) <u>\$8,846,015</u> Total Active Projects <u>\$25,589,623</u> (remainder of outstanding Active Projects) <u>\$7,616,282</u><br><b>Explanation of cap:</b><br>There is a statewide annual budget appropriation of \$16 million on the amount of outstanding debt there can be at any given time in the fiscal year. This figure changes monthly as debt is retired on existing projects and new projects are issued.   |                   |   |                |   |                            |                              |             |                   |         |             |         |             |         |     |         |             |         |              |             |               |         |     |         |     |         |     |         |     |         |     |             |                 |         |             |         |             |         |             |         |             |         |             |
| <b>Explanation of Expiration of Authority:</b> Program sunsets July 1, 2030.  |                   |   |                |   |                            |                              |             |                   |         |             |         |             |         |     |         |             |         |              |             |               |         |     |         |     |         |     |         |     |         |     |             |                 |         |             |         |             |         |             |         |             |         |             |
| <b>Specific Provisions:</b> (if applicable)<br>Carry forward <input type="checkbox"/> n/a Carry Back <input type="checkbox"/> n/a Refundable <input type="checkbox"/> No Sellable/Assignable <input type="checkbox"/> No Additional Federal Deductions Available <input type="checkbox"/> No  |                   |   |                |   |                            |                              |             |                   |         |             |         |             |         |     |         |             |         |              |             |               |         |     |         |     |         |     |         |     |         |     |             |                 |         |             |         |             |         |             |         |             |         |             |
| <b>Comments on Specific Provisions:</b>   |                   |   |                |   |                            |                              |             |                   |         |             |         |             |         |     |         |             |         |              |             |               |         |     |         |     |         |     |         |     |         |     |             |                 |         |             |         |             |         |             |         |             |         |             |
|   | <b>FY 2019</b>    | <b>FY 2020</b>  | <b>FY 2021</b> | <b>FY 2022 (year to date)</b>           | <b>FY 2022 (Full Year)</b> | <b>FY 2023 (Budget Year)</b> |             |                   |         |             |         |             |         |     |         |             |         |              |             |               |         |     |         |     |         |     |         |     |         |     |             |                 |         |             |         |             |         |             |         |             |         |             |
| Total Active Projects   | 11                | 8   | 8              | 8                                       | 9                          | 11                           |             |                   |         |             |         |             |         |     |         |             |         |              |             |               |         |     |         |     |         |     |         |     |         |     |             |                 |         |             |         |             |         |             |         |             |         |             |
| New Projects in FY  | 4                 | 2   | 0              | 1                                       | 2                          | 4                            |             |                   |         |             |         |             |         |     |         |             |         |              |             |               |         |     |         |     |         |     |         |     |         |     |             |                 |         |             |         |             |         |             |         |             |         |             |
| New Amount Authorized   | \$2,912,401       | \$1,019,524   | \$0            | \$5,750,000                             | \$5,987,170                | \$10,035,500                 |             |                   |         |             |         |             |         |     |         |             |         |              |             |               |         |     |         |     |         |     |         |     |         |     |             |                 |         |             |         |             |         |             |         |             |         |             |
| Annual Amount Redeemed  | \$4,714,604       | \$3,674,337   | \$7,153,985    | \$4,125,755                             | \$4,657,611                | \$6,354,016                  |             |                   |         |             |         |             |         |     |         |             |         |              |             |               |         |     |         |     |         |     |         |     |         |     |             |                 |         |             |         |             |         |             |         |             |         |             |
| FY 2021 Outstanding for Active Projects   |                   | \$7,616,282   |                | FY 2021 Amount Apporpiated but Unissued |                            | \$8,846,015                  |             |                   |         |             |         |             |         |     |         |             |         |              |             |               |         |     |         |     |         |     |         |     |         |     |             |                 |         |             |         |             |         |             |         |             |         |             |
| <b>HISTORICAL AND PROJECTED INFORMATION</b>   |                   |   |                |   |                            |                              |             |                   |         |             |         |             |         |     |         |             |         |              |             |               |         |     |         |     |         |     |         |     |         |     |             |                 |         |             |         |             |         |             |         |             |         |             |
| <table border="1" style="margin-top: 10px; width: 100%; border-collapse: collapse;"> <caption>Amount Authorized</caption> <thead> <tr> <th>Fiscal Year</th> <th>Amount Authorized</th> </tr> </thead> <tbody> <tr> <td>FY 2019</td> <td>\$2,912,401</td> </tr> <tr> <td>FY 2020</td> <td>\$1,019,524</td> </tr> <tr> <td>FY 2021</td> <td>\$0</td> </tr> <tr> <td>FY 2022</td> <td>\$5,987,170</td> </tr> <tr> <td>FY 2023</td> <td>\$10,035,500</td> </tr> </tbody> </table> <table border="1" style="margin-top: 10px; width: 100%; border-collapse: collapse;"> <caption>Amount Issued</caption> <thead> <tr> <th>Fiscal Year</th> <th>Amount Issued</th> </tr> </thead> <tbody> <tr> <td>FY 2019</td> <td>\$0</td> </tr> <tr> <td>FY 2020</td> <td>\$0</td> </tr> <tr> <td>FY 2021</td> <td>\$0</td> </tr> <tr> <td>FY 2022</td> <td>\$0</td> </tr> <tr> <td>FY 2023</td> <td>\$0</td> </tr> </tbody> </table> <table border="1" style="margin-top: 10px; width: 100%; border-collapse: collapse;"> <caption>Amount Redeemed</caption> <thead> <tr> <th>Fiscal Year</th> <th>Amount Redeemed</th> </tr> </thead> <tbody> <tr> <td>FY 2019</td> <td>\$4,714,604</td> </tr> <tr> <td>FY 2020</td> <td>\$3,674,337</td> </tr> <tr> <td>FY 2021</td> <td>\$7,153,985</td> </tr> <tr> <td>FY 2022</td> <td>\$4,657,611</td> </tr> <tr> <td>FY 2023</td> <td>\$6,354,016</td> </tr> </tbody> </table> |                   |   |                |   |                            |                              | Fiscal Year | Amount Authorized | FY 2019 | \$2,912,401 | FY 2020 | \$1,019,524 | FY 2021 | \$0 | FY 2022 | \$5,987,170 | FY 2023 | \$10,035,500 | Fiscal Year | Amount Issued | FY 2019 | \$0 | FY 2020 | \$0 | FY 2021 | \$0 | FY 2022 | \$0 | FY 2023 | \$0 | Fiscal Year | Amount Redeemed | FY 2019 | \$4,714,604 | FY 2020 | \$3,674,337 | FY 2021 | \$7,153,985 | FY 2022 | \$4,657,611 | FY 2023 | \$6,354,016 |
| Fiscal Year   | Amount Authorized |   |                |   |                            |                              |             |                   |         |             |         |             |         |     |         |             |         |              |             |               |         |     |         |     |         |     |         |     |         |     |             |                 |         |             |         |             |         |             |         |             |         |             |
| FY 2019   | \$2,912,401       |   |                |   |                            |                              |             |                   |         |             |         |             |         |     |         |             |         |              |             |               |         |     |         |     |         |     |         |     |         |     |             |                 |         |             |         |             |         |             |         |             |         |             |
| FY 2020   | \$1,019,524       |   |                |   |                            |                              |             |                   |         |             |         |             |         |     |         |             |         |              |             |               |         |     |         |     |         |     |         |     |         |     |             |                 |         |             |         |             |         |             |         |             |         |             |
| FY 2021   | \$0               |   |                |   |                            |                              |             |                   |         |             |         |             |         |     |         |             |         |              |             |               |         |     |         |     |         |     |         |     |         |     |             |                 |         |             |         |             |         |             |         |             |         |             |
| FY 2022   | \$5,987,170       |   |                |   |                            |                              |             |                   |         |             |         |             |         |     |         |             |         |              |             |               |         |     |         |     |         |     |         |     |         |     |             |                 |         |             |         |             |         |             |         |             |         |             |
| FY 2023   | \$10,035,500      |   |                |   |                            |                              |             |                   |         |             |         |             |         |     |         |             |         |              |             |               |         |     |         |     |         |     |         |     |         |     |             |                 |         |             |         |             |         |             |         |             |         |             |
| Fiscal Year   | Amount Issued     |   |                |   |                            |                              |             |                   |         |             |         |             |         |     |         |             |         |              |             |               |         |     |         |     |         |     |         |     |         |     |             |                 |         |             |         |             |         |             |         |             |         |             |
| FY 2019   | \$0               |   |                |   |                            |                              |             |                   |         |             |         |             |         |     |         |             |         |              |             |               |         |     |         |     |         |     |         |     |         |     |             |                 |         |             |         |             |         |             |         |             |         |             |
| FY 2020   | \$0               |   |                |   |                            |                              |             |                   |         |             |         |             |         |     |         |             |         |              |             |               |         |     |         |     |         |     |         |     |         |     |             |                 |         |             |         |             |         |             |         |             |         |             |
| FY 2021   | \$0               |   |                |   |                            |                              |             |                   |         |             |         |             |         |     |         |             |         |              |             |               |         |     |         |     |         |     |         |     |         |     |             |                 |         |             |         |             |         |             |         |             |         |             |
| FY 2022   | \$0               |   |                |   |                            |                              |             |                   |         |             |         |             |         |     |         |             |         |              |             |               |         |     |         |     |         |     |         |     |         |     |             |                 |         |             |         |             |         |             |         |             |         |             |
| FY 2023   | \$0               |   |                |   |                            |                              |             |                   |         |             |         |             |         |     |         |             |         |              |             |               |         |     |         |     |         |     |         |     |         |     |             |                 |         |             |         |             |         |             |         |             |         |             |
| Fiscal Year   | Amount Redeemed   |   |                |   |                            |                              |             |                   |         |             |         |             |         |     |         |             |         |              |             |               |         |     |         |     |         |     |         |     |         |     |             |                 |         |             |         |             |         |             |         |             |         |             |
| FY 2019   | \$4,714,604       |   |                |   |                            |                              |             |                   |         |             |         |             |         |     |         |             |         |              |             |               |         |     |         |     |         |     |         |     |         |     |             |                 |         |             |         |             |         |             |         |             |         |             |
| FY 2020   | \$3,674,337       |   |                |   |                            |                              |             |                   |         |             |         |             |         |     |         |             |         |              |             |               |         |     |         |     |         |     |         |     |         |     |             |                 |         |             |         |             |         |             |         |             |         |             |
| FY 2021   | \$7,153,985       |   |                |   |                            |                              |             |                   |         |             |         |             |         |     |         |             |         |              |             |               |         |     |         |     |         |     |         |     |         |     |             |                 |         |             |         |             |         |             |         |             |         |             |
| FY 2022   | \$4,657,611       |   |                |   |                            |                              |             |                   |         |             |         |             |         |     |         |             |         |              |             |               |         |     |         |     |         |     |         |     |         |     |             |                 |         |             |         |             |         |             |         |             |         |             |
| FY 2023   | \$6,354,016       |   |                |   |                            |                              |             |                   |         |             |         |             |         |     |         |             |         |              |             |               |         |     |         |     |         |     |         |     |         |     |             |                 |         |             |         |             |         |             |         |             |         |             |
| <b>Comments on Historical and Projected Information:</b>  |                   |   |                |   |                            |                              |             |                   |         |             |         |             |         |     |         |             |         |              |             |               |         |     |         |     |         |     |         |     |         |     |             |                 |         |             |         |             |         |             |         |             |         |             |

## TAX CREDIT ANALYSIS

**Program Name:** Missouri One Start Community College New Jobs Training Program

### BENEFIT: COST ANALYSIS (includes only state revenue impacts)

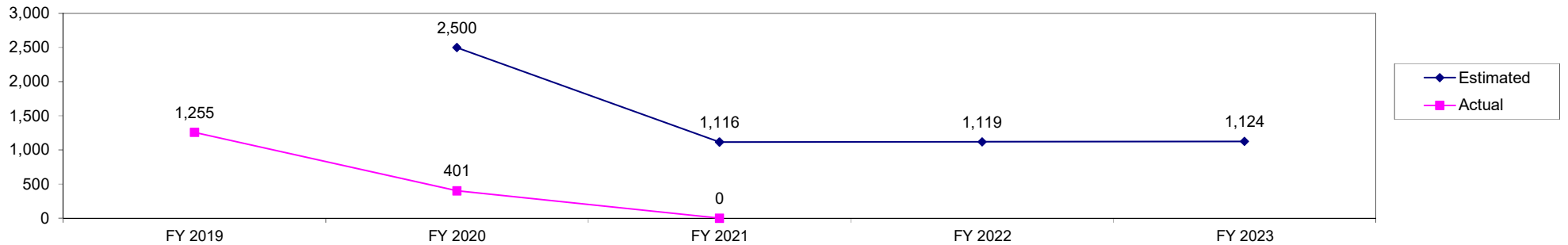
|                          | FY 2021<br>ACTIVITY | Other Fiscal Period<br>(10 years) |
|--------------------------|---------------------|-----------------------------------|
| <b>BENEFITS</b>          |                     |                                   |
| Direct Fiscal Benefits   |                     |                                   |
| Indirect Fiscal Benefits |                     |                                   |
| <b>Total</b>             | \$0                 | \$0                               |
| <b>COSTS</b>             |                     |                                   |
| Direct Fiscal Costs      |                     |                                   |
| Indirect Fiscal Costs    |                     |                                   |
| <b>Total</b>             | \$0                 | \$0                               |
| <b>BENEFIT: COST</b>     | <b>#DIV/0!</b>      | <b>#DIV/0!</b>                    |

**Derivation of Benefits:**  
No authorizations in FY2021.

**Other Benefits:**

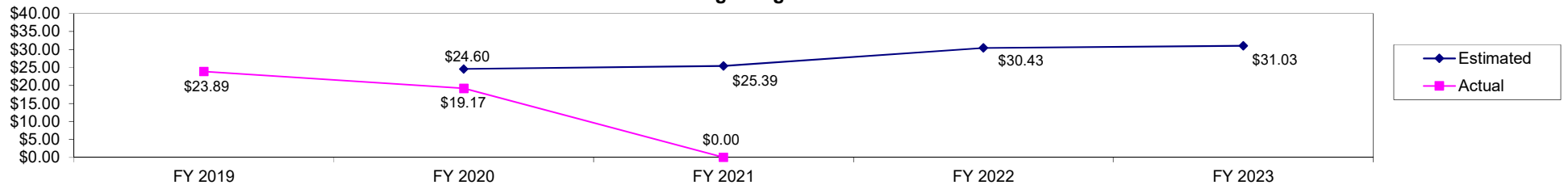
### PERFORMANCE MEASURE(S)

#### Permanent New Jobs Created



**Comments on Performance Measure:**

#### Average Wage



**Comments on Performance Measure:**

## TAX CREDIT ANALYSIS

| <b>Program Name:</b> Missouri One Start Community College Job Retention Training Program   |                |   |                |  |                            |                              |          |         |         |         |         |         |                   |              |             |           |              |              |               |     |     |     |     |     |                 |             |             |             |             |             |
|--|----------------|---|----------------|--|----------------------------|------------------------------|----------|---------|---------|---------|---------|---------|-------------------|--------------|-------------|-----------|--------------|--------------|---------------|-----|-----|-----|-----|-----|-----------------|-------------|-------------|-------------|-------------|-------------|
| <b>Department:</b> Economic Development  |                | <b>Contact Name &amp; No.:</b> Kristie Davis (573) 522-4019   |                |  |                            | <b>Date:</b> January 2022    |          |         |         |         |         |         |                   |              |             |           |              |              |               |     |     |     |     |     |                 |             |             |             |             |             |
| <b>Program Category:</b> Training & Educational  |                | <b>Type:</b> Tax Credit <input type="checkbox"/> Other (specify) <u>X</u> (Appropriation based on employer withholding) |                |  |                            |                              |          |         |         |         |         |         |                   |              |             |           |              |              |               |     |     |     |     |     |                 |             |             |             |             |             |
| <b>Statutory Authority:</b> Sections 620.800-620.809, RSMo   |                | <b>Applicable Taxes:</b> N/A; This is an appropriation of funds, not a credit.  |                |  |                            |                              |          |         |         |         |         |         |                   |              |             |           |              |              |               |     |     |     |     |     |                 |             |             |             |             |             |
| <b>Date of Origin:</b> 2004  |                |   |                |  |                            |                              |          |         |         |         |         |         |                   |              |             |           |              |              |               |     |     |     |     |     |                 |             |             |             |             |             |
| <b>Program Description and Eligibility Requirements:</b><br>Provides training assistance for job retention efforts. Eligible companies making a large capital investment and/or at risk of leaving the state may be eligible. This program is suited for large retention and training projects. The company must also be making substantial capital investment, located in a border county, or be determined to represent a substantial risk of relocation. This program is administered locally through the community colleges.   |                |   |                |  |                            |                              |          |         |         |         |         |         |                   |              |             |           |              |              |               |     |     |     |     |     |                 |             |             |             |             |             |
| <b>Explanation of How Award is Computed:</b> <div style="display: flex; justify-content: space-between; align-items: center;"> <span><b>Entitlement</b></span> <div style="display: flex; gap: 10px;"> <span>No <input type="checkbox"/></span> <span>Discretionary <input type="checkbox"/></span> <span>Yes <input type="checkbox"/></span> </div> </div> <p>A formula using the number of jobs to be retained and the average annual salary of workers in retained jobs calculates the amount that can be generated by diverting a portion of the employer withholding tax (approximately 2%). Discretionary measures such as review of types of industry, occupations, and wage rates are considered before approving a project.</p>   |                |   |                |  |                            |                              |          |         |         |         |         |         |                   |              |             |           |              |              |               |     |     |     |     |     |                 |             |             |             |             |             |
| <b>Program Cap:</b> Annual Appropriation <u>\$11 million</u> (remainder of annual appropriation) \$ <u>\$4,204,692</u> Total Active Projects <u>\$10,626,581</u> (remainder of outstanding Active Projects) <u>\$4,393,959</u><br><b>Explanation of cap:</b><br>There is a statewide annual budget appropriation of \$11 million on the amount of outstanding debt there can be at any given time in the fiscal year. These figures change monthly as debt is retired on existing projects and new projects are issued.  |                |   |                |  |                            |                              |          |         |         |         |         |         |                   |              |             |           |              |              |               |     |     |     |     |     |                 |             |             |             |             |             |
| <b>Explanation of Expiration of Authority:</b> Program sunsets July 1, 2030.   |                |   |                |  |                            |                              |          |         |         |         |         |         |                   |              |             |           |              |              |               |     |     |     |     |     |                 |             |             |             |             |             |
| <b>Specific Provisions:</b> (if applicable)<br>Carry forward <input type="text" value="n/a"/> Carry Back <input type="text" value="n/a"/> Refundable <input type="text" value="No"/> Sellable/Assignable <input type="text" value="No"/> Additional Federal Deductions Available <input type="text" value="No"/>   |                |   |                |  |                            |                              |          |         |         |         |         |         |                   |              |             |           |              |              |               |     |     |     |     |     |                 |             |             |             |             |             |
| <b>Comments on Specific Provisions:</b>  |                |   |                |  |                            |                              |          |         |         |         |         |         |                   |              |             |           |              |              |               |     |     |     |     |     |                 |             |             |             |             |             |
|  | <b>FY 2019</b> | <b>FY 2020</b>  | <b>FY 2021</b> | <b>FY 2022 (year to date)</b>            | <b>FY 2022 (Full Year)</b> | <b>FY 2023 (Budget Year)</b> |          |         |         |         |         |         |                   |              |             |           |              |              |               |     |     |     |     |     |                 |             |             |             |             |             |
| Total Active Projects  | 16             | 13  | 12             | 14                                       | 17                         | 19                           |          |         |         |         |         |         |                   |              |             |           |              |              |               |     |     |     |     |     |                 |             |             |             |             |             |
| New Projects in FY   | 5              | 5   | 1              | 6  | 9                          | 5                            |          |         |         |         |         |         |                   |              |             |           |              |              |               |     |     |     |     |     |                 |             |             |             |             |             |
| New Amount Authorized  | \$10,817,072   | \$8,749,650   | \$500,000      | \$10,234,500                             | \$22,898,738               | \$11,110,000                 |          |         |         |         |         |         |                   |              |             |           |              |              |               |     |     |     |     |     |                 |             |             |             |             |             |
| Annual Amount Redeemed   | \$2,780,863    | \$2,905,597   | \$6,795,309    | \$1,660,706                              | \$9,283,962                | \$12,003,120                 |          |         |         |         |         |         |                   |              |             |           |              |              |               |     |     |     |     |     |                 |             |             |             |             |             |
| FY 2021 Outstanding for Active Projects  |                | \$4,393,959   |                | FY 2021 Amount Appropriated but Unissued |                            | \$4,204,692                  |          |         |         |         |         |         |                   |              |             |           |              |              |               |     |     |     |     |     |                 |             |             |             |             |             |
| <b>HISTORICAL AND PROJECTED INFORMATION</b>  |                |   |                |  |                            |                              |          |         |         |         |         |         |                   |              |             |           |              |              |               |     |     |     |     |     |                 |             |             |             |             |             |
| <p>The chart displays three categories: Amount Authorized, Amount Issued, and Amount Redeemed. For each category, bars are shown for FY 2019 (dark red), FY 2020 (pink), FY 2021 (yellow), FY 2022 (purple), and FY 2023 (dark purple). The y-axis ranges from \$0 to \$15,000,000. Data labels are provided above each bar.</p> <table border="1"> <thead> <tr> <th>Category</th> <th>FY 2019</th> <th>FY 2020</th> <th>FY 2021</th> <th>FY 2022</th> <th>FY 2023</th> </tr> </thead> <tbody> <tr> <td>Amount Authorized</td> <td>\$10,817,072</td> <td>\$8,749,650</td> <td>\$500,000</td> <td>\$10,234,500</td> <td>\$11,110,000</td> </tr> <tr> <td>Amount Issued</td> <td>\$0</td> <td>\$0</td> <td>\$0</td> <td>\$0</td> <td>\$0</td> </tr> <tr> <td>Amount Redeemed</td> <td>\$2,780,863</td> <td>\$2,905,597</td> <td>\$6,795,309</td> <td>\$1,660,706</td> <td>\$9,283,962</td> </tr> </tbody> </table> |                |   |                |  |                            |                              | Category | FY 2019 | FY 2020 | FY 2021 | FY 2022 | FY 2023 | Amount Authorized | \$10,817,072 | \$8,749,650 | \$500,000 | \$10,234,500 | \$11,110,000 | Amount Issued | \$0 | \$0 | \$0 | \$0 | \$0 | Amount Redeemed | \$2,780,863 | \$2,905,597 | \$6,795,309 | \$1,660,706 | \$9,283,962 |
| Category   | FY 2019        | FY 2020   | FY 2021        | FY 2022                                  | FY 2023                    |                              |          |         |         |         |         |         |                   |              |             |           |              |              |               |     |     |     |     |     |                 |             |             |             |             |             |
| Amount Authorized  | \$10,817,072   | \$8,749,650   | \$500,000      | \$10,234,500                             | \$11,110,000               |                              |          |         |         |         |         |         |                   |              |             |           |              |              |               |     |     |     |     |     |                 |             |             |             |             |             |
| Amount Issued  | \$0            | \$0   | \$0            | \$0                                      | \$0                        |                              |          |         |         |         |         |         |                   |              |             |           |              |              |               |     |     |     |     |     |                 |             |             |             |             |             |
| Amount Redeemed  | \$2,780,863    | \$2,905,597   | \$6,795,309    | \$1,660,706                              | \$9,283,962                |                              |          |         |         |         |         |         |                   |              |             |           |              |              |               |     |     |     |     |     |                 |             |             |             |             |             |
| <b>Comments on Historical and Projected Information:</b>   |                |   |                |  |                            |                              |          |         |         |         |         |         |                   |              |             |           |              |              |               |     |     |     |     |     |                 |             |             |             |             |             |

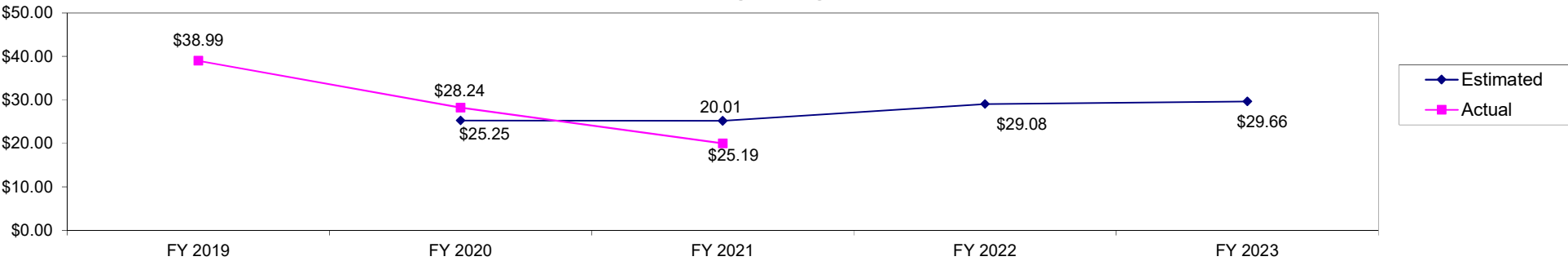
## TAX CREDIT ANALYSIS

| Program Name: Missouri One Start Community College Job Retention Training Program   |                     |   |  |             |           |        |         |  |       |         |       |       |         |       |     |         |       |  |         |       |  |
|---|---------------------|---|--|-------------|-----------|--------|---------|--|-------|---------|-------|-------|---------|-------|-----|---------|-------|--|---------|-------|--|
| BENEFIT: COST ANALYSIS (includes only state revenue impacts)  |                     |   |  |             |           |        |         |  |       |         |       |       |         |       |     |         |       |  |         |       |  |
|   | FY 2021<br>ACTIVITY | Other Fiscal Period<br>(5 years)                                | Derivation of Benefits:<br>Investment: (a) \$5,612,500 in Non-Residential Investment spending in 2021. (b) \$5,612,500 in Durable Equipment spending in 2021.<br>Employment: N/A<br>Other Assumptions: (a) \$127,400 increase to annual income of 125 retained workers earning higher wages following training over years 2021-2025.<br>Incentives/Credits: (a) \$500,000 in Job Retention Training Program tax credits over years 2021-2025.<br>Impacts occur Statewide. All Values in Constant Dollars. Assumptions provided by DED. Estimated using REMI.<br>The direct and indirect fiscal benefit to the state over 5 years generated by retaining these 250 jobs is \$4,381,625. |             |           |        |         |  |       |         |       |       |         |       |     |         |       |  |         |       |  |
| BENEFITS  |                     |   |  |             |           |        |         |  |       |         |       |       |         |       |     |         |       |  |         |       |  |
| Direct Fiscal Benefits  | \$136,876           | \$155,499   |  |             |           |        |         |  |       |         |       |       |         |       |     |         |       |  |         |       |  |
| Indirect Fiscal Benefits  | \$153,519           | \$174,407   |  |             |           |        |         |  |       |         |       |       |         |       |     |         |       |  |         |       |  |
| Total   | \$290,395           | \$329,906   |  |             |           |        |         |  |       |         |       |       |         |       |     |         |       |  |         |       |  |
| COSTS   |                     |   |  |             |           |        |         |  |       |         |       |       |         |       |     |         |       |  |         |       |  |
| Direct Fiscal Costs   | \$166,667           | \$490,405   |  |             |           |        |         |  |       |         |       |       |         |       |     |         |       |  |         |       |  |
| Indirect Fiscal Costs   | \$0                 | \$0   |  |             |           |        |         |  |       |         |       |       |         |       |     |         |       |  |         |       |  |
| Total   | \$166,667           | \$490,405   |  |             |           |        |         |  |       |         |       |       |         |       |     |         |       |  |         |       |  |
| BENEFIT: COST   | 1.74                | 0.67  |  |             |           |        |         |  |       |         |       |       |         |       |     |         |       |  |         |       |  |
| Other Benefits:   |                     |   |  |             |           |        |         |  |       |         |       |       |         |       |     |         |       |  |         |       |  |
| In FY-2021, every dollar of auth. program tax credits returns   |                     | Over 5 YEARS, every dollar of auth. program tax credits returns |  |             |           |        |         |  |       |         |       |       |         |       |     |         |       |  |         |       |  |
| \$31.30 in new personal income totaling \$5.22 million  |                     | \$14.71 in new personal income totaling \$7.21 million          |  |             |           |        |         |  |       |         |       |       |         |       |     |         |       |  |         |       |  |
| \$48.47 in new value-added/GSP totaling \$8.08 million  |                     | \$18.01 in new value-added/GSP totaling \$8.83 million          |  |             |           |        |         |  |       |         |       |       |         |       |     |         |       |  |         |       |  |
| \$88.80 in new economic output totaling \$14.80 million   |                     | \$32.63 in new economic output totaling \$16.00 million         |  |             |           |        |         |  |       |         |       |       |         |       |     |         |       |  |         |       |  |
| PERFORMANCE MEASURE(S)  |                     |   |  |             |           |        |         |  |       |         |       |       |         |       |     |         |       |  |         |       |  |
| <div>Permanent Jobs Retained</div> <div><table><thead><tr><th>Fiscal Year</th><th>Estimated</th><th>Actual</th></tr></thead><tbody><tr><td>FY 2019</td><td></td><td>2,830</td></tr><tr><td>FY 2020</td><td>1,568</td><td>2,890</td></tr><tr><td>FY 2021</td><td>1,950</td><td>250</td></tr><tr><td>FY 2022</td><td>2,500</td><td></td></tr><tr><td>FY 2023</td><td>3,500</td><td></td></tr></tbody></table></div> |                     |   |  | Fiscal Year | Estimated | Actual | FY 2019 |  | 2,830 | FY 2020 | 1,568 | 2,890 | FY 2021 | 1,950 | 250 | FY 2022 | 2,500 |  | FY 2023 | 3,500 |  |
| Fiscal Year   | Estimated           | Actual  |  |             |           |        |         |  |       |         |       |       |         |       |     |         |       |  |         |       |  |
| FY 2019   |                     | 2,830   |  |             |           |        |         |  |       |         |       |       |         |       |     |         |       |  |         |       |  |
| FY 2020   | 1,568               | 2,890   |  |             |           |        |         |  |       |         |       |       |         |       |     |         |       |  |         |       |  |
| FY 2021   | 1,950               | 250   |  |             |           |        |         |  |       |         |       |       |         |       |     |         |       |  |         |       |  |
| FY 2022   | 2,500               |   |  |             |           |        |         |  |       |         |       |       |         |       |     |         |       |  |         |       |  |
| FY 2023   | 3,500               |   |  |             |           |        |         |  |       |         |       |       |         |       |     |         |       |  |         |       |  |
| Comments on Performance Measure:  |                     |   |  |             |           |        |         |  |       |         |       |       |         |       |     |         |       |  |         |       |  |

TAX CREDIT ANALYSIS

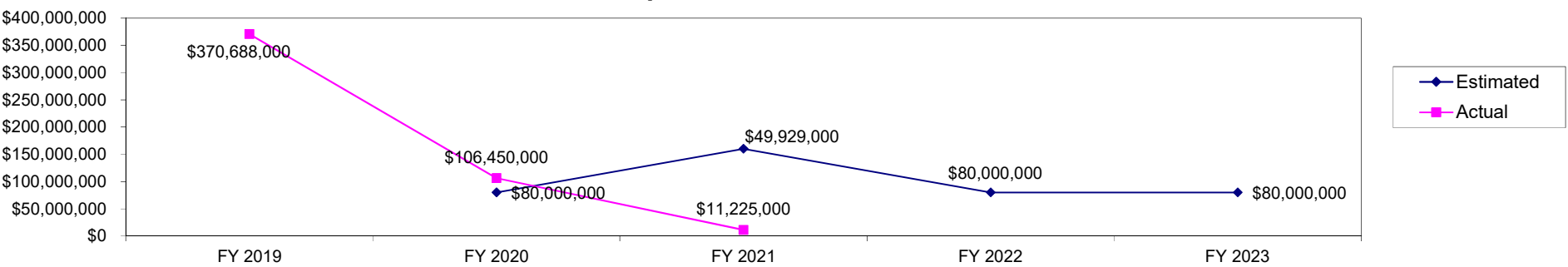
Program Name: Missouri One Start Community College Job Retention Training Program

Average Wage



Comments on Performance Measure:

Capital Investment



Comments on Performance Measure:



# ADVANCED INDUSTRIAL MANUFACTURING ZONES ACT

## PURPOSE

Establishes the Port Authority AIM Zone Fund consisting of 50% of the state withholding tax from new jobs within the zone after development or redevelopment has begun. The money in the fund must be used for expenses to continue expanding, developing, and redeveloping zones identified by the port authority board of commissioners.

## AUTHORIZATION

Section 68.075

## ELIGIBLE AREAS

An area identified through a resolution passed by the port authority board of commissioners that is being developed or redeveloped and located in the authority's jurisdiction with boundaries determined by the authority.

## ELIGIBLE APPLICANTS

Any Missouri business subject to state tax withholdings imposed by sections 143.191 to 143.265 is eligible to participate in the program.

## ELIGIBILITY CRITERIA

To be eligible for the retention of tax withholdings there must be an increase in the number of full-time employees located at the project facility that exceeds the project facility base employment less any decrease in the number of full-time employees at related facilities below the related facility base employment.

New employees must be paid at or above state average wage.

## PROGRAM BENEFITS/ELIGIBLE USES

The program provides for 50% of the state tax withholdings on new jobs located in the zone to be deposited into the Port Authority AIM Zone Fund for the purpose of continuing to expand, develop, and redevelop AIM zones identified by the port authority and may be used for managerial, engineering, legal, research, promotion, planning, satisfaction of bonds, and any other expenses.

## FUNDING LIMITS

No more than 10% of the total amount collected within the zones of a port authority may be appropriated by the legislature for the administration of a port authority. The authority must approve any projects and disperse money in the fund.

## APPLICATION PROCEDURE/APPROVAL

Upon receipt of a Notice of Intent (NOI) by the Missouri Department of Revenue (DOR), the Port Authority will work with the applicant to submit documentation to DED to establish base employment at the project facility and further document the creation of new jobs subject to 50% of the state tax withholdings.

The Port Authority will work with the applicant to submit Form MO-AIM to (DOR) using the same frequency that is used to file Employer's Return of Income Taxes Withheld (Form MO-941).

## SPECIAL PROGRAM REQUIREMENTS

No job that was created prior to the date of the NOI shall be deemed a new job.

No AIM zone may be established after August 28, 2030. Any AIM zone created prior to that date shall continue to exist and be coterminous with the retirement of all debts incurred under the fund. No debts may be incurred or reauthorized using AIM zone revenue after August 28, 2030.

## REPORTING REQUIREMENTS

The Port Authority board of commissioners shall file an annual report indicating the established AIM zones with the Department of Revenue.

The Port Authority shall submit an annual budget for the funds to the Department of Economic Development explaining how and when such money will be spent.

## MISSOURI PORT AUTHORITIES

- Howard/Cooper County
- Jefferson County
- Lewis County
- Kansas City
- Marion County
- Mid-America
- New Bourbon
- New Madrid County
- Pemiscot County
- Pike/Lincoln County
- St. Joseph
- St. Louis City
- St. Louis County
- Southeast Missouri
- Mississippi County

## CONTACT

**Missouri Department of Economic Development**  
Division of Business and Community Solutions  
Development Finance Team

301 West High Street • Room 770 • P.O. Box 118  
Jefferson City • MO • 65102

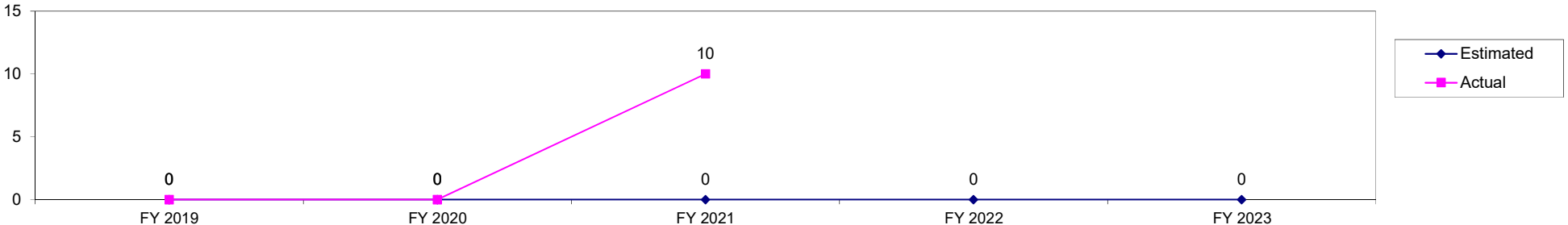
Phone: 573-522-8004 • Fax: 573-522-9462

E-mail: [reddevelopment@ded.mo.gov](mailto:reddevelopment@ded.mo.gov) • Web: [www.ded.mo.gov](http://www.ded.mo.gov)

## TAX CREDIT ANALYSIS

|  |  |   |                       |                               |                            |                              |
|--|--|---|-----------------------|-------------------------------|----------------------------|------------------------------|
| <b>Program Name:</b> Advanced Industrial Manufacturing Zones Act (AIM Zone)  |  |   |                       |                               |                            |                              |
| <b>Department:</b> Economic Development  | <b>Contact Name &amp; No.:</b> Mark Pauley (573) 522-8006  | <b>Date:</b> January 2022                   |                       |                               |                            |                              |
| <b>Program Category:</b> Redevelopment   | <b>Type:</b> Tax Credit _____ <b>Other (specify)</b> <u>X</u> (Retention of withholding tax of new jobs) |   |                       |                               |                            |                              |
| <b>Statutory Authority:</b> Section 68.075 RSMo  | <b>Applicable Taxes:</b> State tax withholdings  |   |                       |                               |                            |                              |
| <b>Date of Origin:</b> 2016  |  |   |                       |                               |                            |                              |
| <b>Program Description and Eligibility Requirements:</b><br>Establishes the Port Authority AIM Zone Fund consisting of 50% of the state withholding tax from new jobs within the zone after development or redevelopment has begun. The money in the fund must be used for expenses to continue expanding, developing, and redeveloping zones identified by the port authority board of commissioners.   |  |   |                       |                               |                            |                              |
| <b>Explanation of How Award is Computed:</b> <table style="width: 100%; border: none;"> <tr> <td style="border: none;"><b>Entitlement</b></td> <td style="border: 1px solid black; text-align: center;">Yes</td> <td style="border: none;"><b>Discretionary</b></td> <td style="border: 1px solid black; text-align: center;">No</td> </tr> </table> <p>To be eligible for the retention of tax withholdings there must be an increase in the number of full-time employees located at the project facility that exceeds the project facility base employment less any decrease in the number of full-time employees at related facilities below the related facility base employment.</p>   |  |   | <b>Entitlement</b>    | Yes                           | <b>Discretionary</b>       | No                           |
| <b>Entitlement</b>   | Yes  | <b>Discretionary</b>                        | No                    |                               |                            |                              |
| <b>Program Cap:</b> Cumulative \$ _____ (remainder of cumulative cap) \$ _____ Annual \$ _____ None <u>X</u>   |  |   |                       |                               |                            |                              |
| <b>Explanation of cap:</b><br>N/A  |  |   |                       |                               |                            |                              |
| <b>Explanation of Expiration of Authority:</b> No AIM Zone may be established after August 28, 2030. Any AIM zone created prior to that date shall continue to exist and be coterminous with the retirement of all debts incurred under subsection 4 of this section. No debts may be incurred or reauthorized using AIM zone revenue after August 28, 2030.   |  |   |                       |                               |                            |                              |
| <b>Specific Provisions:</b> (if applicable)<br>Carry forward <span style="border: 1px solid black; padding: 2px;">n/a</span> Carry Back <span style="border: 1px solid black; padding: 2px;">n/a</span> Refundable <span style="border: 1px solid black; padding: 2px;">No</span> Sellable/Assignable <span style="border: 1px solid black; padding: 2px;">No</span> Additional Federal Deductions Available <span style="border: 1px solid black; padding: 2px;">No</span>  |  |   |                       |                               |                            |                              |
| <b>Comments on Specific Provisions:</b>  |  |   |                       |                               |                            |                              |
|  | <b>FY 2019 ACTUAL</b>  | <b>FY 2020 ACTUAL</b>                       | <b>FY 2021 ACTUAL</b> | <b>FY 2022 (year to date)</b> | <b>FY 2022 (Full Year)</b> | <b>FY 2023 (Budget Year)</b> |
| Certificates Issued (#)  | 0  | 0   | 0                     | 0                             | 0                          | 0                            |
| Projects (#)   | 0  | 0   | 0                     | 0                             | 0                          | 0                            |
| Amount Authorized  | \$0  | \$0   | \$0                   | \$0                           | \$0                        | \$0                          |
| Amount Issued  | \$0  | \$0   | \$0                   | \$0                           | \$0                        | \$0                          |
| Amount Redeemed  | \$0  | \$0   | \$0                   | \$0                           | \$0                        | \$0                          |
|  |  |   |                       |                               |                            |                              |
| FY 2020 EST. Amount Outstanding  | \$0  | FY 2020 EST. Amount Authorized but Unissued |                       | \$0                           |                            |                              |
| <b>HISTORICAL AND PROJECTED INFORMATION</b>  |  |   |                       |                               |                            |                              |
| <div style="position: absolute; top: 10px; left: 10px;">           \$100,000<br/>\$90,000<br/>\$80,000<br/>\$70,000<br/>\$60,000<br/>\$50,000<br/>\$40,000<br/>\$30,000<br/>\$20,000<br/>\$10,000<br/>\$0         </div> <div style="position: absolute; top: 10px; right: 10px; border: 1px solid black; padding: 5px;"> <div style="display: flex; flex-direction: column; align-items: center;"> <div style="width: 10px; height: 10px; background-color: #800000; margin-bottom: 5px;"></div> FY 2019           </div> <div style="display: flex; flex-direction: column; align-items: center;"> <div style="width: 10px; height: 10px; background-color: #808080; margin-bottom: 5px;"></div> FY 2020           </div> <div style="display: flex; flex-direction: column; align-items: center;"> <div style="width: 10px; height: 10px; background-color: #ffffff; border: 1px solid black; margin-bottom: 5px;"></div> FY 2021           </div> <div style="display: flex; flex-direction: column; align-items: center;"> <div style="width: 10px; height: 10px; background-color: #000080; margin-bottom: 5px;"></div> FY 2022           </div> <div style="display: flex; flex-direction: column; align-items: center;"> <div style="width: 10px; height: 10px; background-color: #000080; margin-bottom: 5px;"></div> FY 2023           </div> </div> <div style="position: absolute; bottom: 10px; left: 10px; width: 100%;"> <div style="display: flex; justify-content: space-around;"> <span>\$0</span> <span>\$0</span> <span>\$0</span> <span>\$0</span> <span>\$0</span> <span>\$0</span> <span>\$0</span> <span>\$0</span> <span>\$0</span> <span>\$0</span> <span>\$0</span> <span>\$0</span> <span>\$0</span> <span>\$0</span> <span>\$0</span> </div> <div style="display: flex; justify-content: space-around; margin-top: 10px;"> <span>Amount Authorized</span> <span>Amount Issued</span> <span>Amount Redeemed</span> </div> </div> |  |   |                       |                               |                            |                              |

## TAX CREDIT ANALYSIS

| <b>Program Name:</b> Advanced Industrial Manufacturing Zones Act (AIM Zone)   |                             |  |   |             |           |        |         |   |   |         |   |   |         |   |    |         |   |   |         |   |   |
|---|-----------------------------|--|---|-------------|-----------|--------|---------|---|---|---------|---|---|---------|---|----|---------|---|---|---------|---|---|
| <b>BENEFIT: COST ANALYSIS (includes only state revenue impacts)</b>   |                             |  |   |             |           |        |         |   |   |         |   |   |         |   |    |         |   |   |         |   |   |
|   | <b>FY 2021<br/>ACTIVITY</b> | <b>Other Fiscal Period<br/>(indicated time period)</b> | <b>Derivation of Benefits:</b> No withholdings were diverted to the AIM Zone fund in FY2021 |             |           |        |         |   |   |         |   |   |         |   |    |         |   |   |         |   |   |
| <b>BENEFITS</b>   |                             |  |   |             |           |        |         |   |   |         |   |   |         |   |    |         |   |   |         |   |   |
| Direct Fiscal Benefits  |                             |  |   |             |           |        |         |   |   |         |   |   |         |   |    |         |   |   |         |   |   |
| Indirect Fiscal Benefits  |                             |  |   |             |           |        |         |   |   |         |   |   |         |   |    |         |   |   |         |   |   |
| <b>Total</b>  | \$0                         | \$0  |   |             |           |        |         |   |   |         |   |   |         |   |    |         |   |   |         |   |   |
| <b>COSTS</b>  |                             |  |   |             |           |        |         |   |   |         |   |   |         |   |    |         |   |   |         |   |   |
| Direct Fiscal Costs   |                             |  |   |             |           |        |         |   |   |         |   |   |         |   |    |         |   |   |         |   |   |
| Indirect Fiscal Costs   |                             |  |   |             |           |        |         |   |   |         |   |   |         |   |    |         |   |   |         |   |   |
| <b>Total</b>  | \$0                         | \$0  |   |             |           |        |         |   |   |         |   |   |         |   |    |         |   |   |         |   |   |
| <b>BENEFIT: COST</b>  | <b>#DIV/0!</b>              | <b>#DIV/0!</b>   |   |             |           |        |         |   |   |         |   |   |         |   |    |         |   |   |         |   |   |
| <b>Other Benefits:</b>  |                             |  |   |             |           |        |         |   |   |         |   |   |         |   |    |         |   |   |         |   |   |
| <b>PERFORMANCE MEASURE(S)</b>   |                             |  |   |             |           |        |         |   |   |         |   |   |         |   |    |         |   |   |         |   |   |
| <b>Permanent New Jobs Created</b>   |                             |  |   |             |           |        |         |   |   |         |   |   |         |   |    |         |   |   |         |   |   |
|  <table border="1" style="margin: 10px auto; border-collapse: collapse;"> <caption>Permanent New Jobs Created Data</caption> <thead> <tr> <th>Fiscal Year</th> <th>Estimated</th> <th>Actual</th> </tr> </thead> <tbody> <tr> <td>FY 2019</td> <td>0</td> <td>0</td> </tr> <tr> <td>FY 2020</td> <td>0</td> <td>0</td> </tr> <tr> <td>FY 2021</td> <td>0</td> <td>10</td> </tr> <tr> <td>FY 2022</td> <td>0</td> <td>0</td> </tr> <tr> <td>FY 2023</td> <td>0</td> <td>0</td> </tr> </tbody> </table> |                             |  |   | Fiscal Year | Estimated | Actual | FY 2019 | 0 | 0 | FY 2020 | 0 | 0 | FY 2021 | 0 | 10 | FY 2022 | 0 | 0 | FY 2023 | 0 | 0 |
| Fiscal Year   | Estimated                   | Actual   |   |             |           |        |         |   |   |         |   |   |         |   |    |         |   |   |         |   |   |
| FY 2019   | 0                           | 0  |   |             |           |        |         |   |   |         |   |   |         |   |    |         |   |   |         |   |   |
| FY 2020   | 0                           | 0  |   |             |           |        |         |   |   |         |   |   |         |   |    |         |   |   |         |   |   |
| FY 2021   | 0                           | 10   |   |             |           |        |         |   |   |         |   |   |         |   |    |         |   |   |         |   |   |
| FY 2022   | 0                           | 0  |   |             |           |        |         |   |   |         |   |   |         |   |    |         |   |   |         |   |   |
| FY 2023   | 0                           | 0  |   |             |           |        |         |   |   |         |   |   |         |   |    |         |   |   |         |   |   |
| <b>Comments on Performance Measure:</b> 10 new jobs were verified by DED from documentation submitted by the Port Authority. The new jobs were reported to DOR; however, documentation to divert withholdings to the AIM Zone Fund from the business creating the jobs has not been submitted to DOR. Therefore, this has not been counted as a project yet.  |                             |  |   |             |           |        |         |   |   |         |   |   |         |   |    |         |   |   |         |   |   |



## AMATEUR SPORTING CONTRIBUTION TAX CREDIT PROGRAM

### PURPOSE

To incentivize donations to certified sponsors and local organizing committees.

### AUTHORIZATION

Section 67.3005, RSMo

### ELIGIBLE APPLICANTS

Certified sponsors and local organizing committees.

### PROGRAM BENEFITS/ELIGIBLE USES

The Program provides tax credits to those making eligible donations to certified sponsors and local organizing committees. The tax credits are applied for by the certified sponsors and local organizing committees and are equal to 50% of the eligible donation.

Tax Credits can be applied to:

- Ch. 143 – Income Tax
- Ch. 148 –
  - Bank Tax
  - Insurance Premium Tax
  - Other Financial Institution Tax

The special attributes of the tax credits include:

- Useable within 1 year of the tax year the tax credit is issued
- Sellable and transferable

### FUNDING LIMITS

The program has an overall cap of \$10 million for each state fiscal year. The program will sunset on August 28, 2019.

### APPLICATION/APPROVAL PROCEDURE

Applications are submitted for review to the Department of Economic Development along with payment of the Issuance Fee.

### REPORTING REQUIREMENTS

Please contact the Department of Revenue for the reporting requirements of this program under the Tax Credit Accountability Act.

### SPECIAL PROGRAM REQUIREMENTS

Applicants must submit an Issuance Fee payment to the Department of Economic Development equal to 50% of the claimed eligible donation in order for a donor to be issued tax credits under this program.

### CONTACT

**Missouri Department of Economic Development**

Division of Business and Community Solutions

Development Finance Team

301 West High Street • Room 770 • P.O. Box 118

Jefferson City • MO • 65102

Phone: 573-522-8004 • Fax: 573-522-9462

E-mail: [dedfn@ded.mo.gov](mailto:dedfn@ded.mo.gov) • Web: [www.ded.mo.gov](http://www.ded.mo.gov)

## TAX CREDIT ANALYSIS

| <b>Program Name:</b> Amateur Sporting Contribution Tax Credit - Contribution  |                       |  |                       |  |                            |                              |          |         |         |         |         |         |                   |          |          |          |          |          |               |          |     |          |          |          |                 |          |          |          |          |          |
|---|-----------------------|--|-----------------------|--|----------------------------|------------------------------|----------|---------|---------|---------|---------|---------|-------------------|----------|----------|----------|----------|----------|---------------|----------|-----|----------|----------|----------|-----------------|----------|----------|----------|----------|----------|
| <b>Department:</b> Economic Development   |                       | <b>Contact Name &amp; No.:</b> Mark Pauley (573) 522-8006  |                       |  |                            | <b>Date:</b> January 2022    |          |         |         |         |         |         |                   |          |          |          |          |          |               |          |     |          |          |          |                 |          |          |          |          |          |
| <b>Program Category:</b> Business Recruitment   |                       | <b>Type:</b> Tax Credit <u>  X  </u>   |                       | <b>Other (specify)</b>   |                            |                              |          |         |         |         |         |         |                   |          |          |          |          |          |               |          |     |          |          |          |                 |          |          |          |          |          |
| <b>Statutory Authority:</b> Section 67.3005, RSMo   |                       | <b>Applicable Taxes:</b> Income Tax; Bank Tax; Insurance Premium Tax; Other financial institutions tax |                       |  |                            |                              |          |         |         |         |         |         |                   |          |          |          |          |          |               |          |     |          |          |          |                 |          |          |          |          |          |
| <b>Date of Origin:</b> 2013   |                       |  |                       |  |                            |                              |          |         |         |         |         |         |                   |          |          |          |          |          |               |          |     |          |          |          |                 |          |          |          |          |          |
| <b>Program Description and Eligibility Requirements:</b><br>This program provides a tax credit to taxpayers making eligible donations to "certified sponsors" and "local organizing committees". Certified sponsors and local organizing committees must provide the State with payment equal to 50% of the eligible donation. Once the Department has processed the payment, the Department will then issue tax credits equal to the amount of the payment to the State.   |                       |  |                       |  |                            |                              |          |         |         |         |         |         |                   |          |          |          |          |          |               |          |     |          |          |          |                 |          |          |          |          |          |
| <b>Explanation of How Award is Computed:</b>  |                       | <b>Entitlement</b> <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No                 |                       | <b>Discretionary</b> <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No |                            |                              |          |         |         |         |         |         |                   |          |          |          |          |          |               |          |     |          |          |          |                 |          |          |          |          |          |
| Taxpayers can receive tax credits equal to 50% of an eligible donation to an eligible applicant.  |                       |  |                       |  |                            |                              |          |         |         |         |         |         |                   |          |          |          |          |          |               |          |     |          |          |          |                 |          |          |          |          |          |
| <b>Program Cap:</b> Cumulative \$ _____ (remainder of cumulative cap) \$ _____ Annual <u>\$10 million</u> None _____  |                       |  |                       |  |                            |                              |          |         |         |         |         |         |                   |          |          |          |          |          |               |          |     |          |          |          |                 |          |          |          |          |          |
| <b>Explanation of cap:</b><br>No more than \$10 million dollars in tax credits can be issued in a given fiscal year.  |                       |  |                       |  |                            |                              |          |         |         |         |         |         |                   |          |          |          |          |          |               |          |     |          |          |          |                 |          |          |          |          |          |
| <b>Explanation of Expiration of Authority:</b> The Amateur Sporting Tax Credit sunsets August 28, 2025.   |                       |  |                       |  |                            |                              |          |         |         |         |         |         |                   |          |          |          |          |          |               |          |     |          |          |          |                 |          |          |          |          |          |
| <b>Specific Provisions:</b> (if applicable)<br>Carry forward <input type="text" value="2 years"/> Carry Back <input type="text" value="n/a"/> Refundable <input type="text" value="Yes"/> Sellable/Assignable <input type="text" value="Yes"/> Additional Federal Deductions Available <input type="text" value="No"/>  |                       |  |                       |  |                            |                              |          |         |         |         |         |         |                   |          |          |          |          |          |               |          |     |          |          |          |                 |          |          |          |          |          |
| <b>Comments on Specific Provisions:</b>   |                       |  |                       |  |                            |                              |          |         |         |         |         |         |                   |          |          |          |          |          |               |          |     |          |          |          |                 |          |          |          |          |          |
|   | <b>FY 2019 ACTUAL</b> | <b>FY 2020 ACTUAL</b>  | <b>FY 2021 ACTUAL</b> | <b>FY 2022 (year to date)</b>  | <b>FY 2022 (Full Year)</b> | <b>FY 2023 (Budget Year)</b> |          |         |         |         |         |         |                   |          |          |          |          |          |               |          |     |          |          |          |                 |          |          |          |          |          |
| Certificates Issued (#)   | 8                     | 0  | 13                    | 0  | 9                          | 9                            |          |         |         |         |         |         |                   |          |          |          |          |          |               |          |     |          |          |          |                 |          |          |          |          |          |
| Projects (#)  | 8                     | 7  | 13                    | 0  | 9                          | 9                            |          |         |         |         |         |         |                   |          |          |          |          |          |               |          |     |          |          |          |                 |          |          |          |          |          |
| Amount Authorized   | \$28,549              | \$25,000   | \$25,000              | \$0  | \$25,000                   | \$25,000                     |          |         |         |         |         |         |                   |          |          |          |          |          |               |          |     |          |          |          |                 |          |          |          |          |          |
| Amount Issued   | \$28,549              | \$0  | \$50,000              | \$0  | \$25,000                   | \$25,000                     |          |         |         |         |         |         |                   |          |          |          |          |          |               |          |     |          |          |          |                 |          |          |          |          |          |
| Amount Redeemed   | \$18,549              | \$22,500   | \$27,500              | \$22,500   | \$25,000                   | \$25,000                     |          |         |         |         |         |         |                   |          |          |          |          |          |               |          |     |          |          |          |                 |          |          |          |          |          |
| FY 2021 EST. Amount Outstanding \$50,000  |                       |  |                       |  |                            |                              |          |         |         |         |         |         |                   |          |          |          |          |          |               |          |     |          |          |          |                 |          |          |          |          |          |
| FY 2021 EST. Amount Authorized but Unissued \$0   |                       |  |                       |  |                            |                              |          |         |         |         |         |         |                   |          |          |          |          |          |               |          |     |          |          |          |                 |          |          |          |          |          |
| <b>HISTORICAL AND PROJECTED INFORMATION</b>   |                       |  |                       |  |                            |                              |          |         |         |         |         |         |                   |          |          |          |          |          |               |          |     |          |          |          |                 |          |          |          |          |          |
| <table border="1" style="margin-top: 10px; width: 100%; border-collapse: collapse;"> <caption>Historical and Projected Information Data</caption> <thead> <tr> <th>Category</th> <th>FY 2019</th> <th>FY 2020</th> <th>FY 2021</th> <th>FY 2022</th> <th>FY 2023</th> </tr> </thead> <tbody> <tr> <td>Amount Authorized</td> <td>\$28,549</td> <td>\$25,000</td> <td>\$25,000</td> <td>\$25,000</td> <td>\$25,000</td> </tr> <tr> <td>Amount Issued</td> <td>\$28,549</td> <td>\$0</td> <td>\$50,000</td> <td>\$25,000</td> <td>\$25,000</td> </tr> <tr> <td>Amount Redeemed</td> <td>\$18,549</td> <td>\$22,500</td> <td>\$27,500</td> <td>\$25,000</td> <td>\$25,000</td> </tr> </tbody> </table> |                       |  |                       |  |                            |                              | Category | FY 2019 | FY 2020 | FY 2021 | FY 2022 | FY 2023 | Amount Authorized | \$28,549 | \$25,000 | \$25,000 | \$25,000 | \$25,000 | Amount Issued | \$28,549 | \$0 | \$50,000 | \$25,000 | \$25,000 | Amount Redeemed | \$18,549 | \$22,500 | \$27,500 | \$25,000 | \$25,000 |
| Category  | FY 2019               | FY 2020  | FY 2021               | FY 2022  | FY 2023                    |                              |          |         |         |         |         |         |                   |          |          |          |          |          |               |          |     |          |          |          |                 |          |          |          |          |          |
| Amount Authorized   | \$28,549              | \$25,000   | \$25,000              | \$25,000   | \$25,000                   |                              |          |         |         |         |         |         |                   |          |          |          |          |          |               |          |     |          |          |          |                 |          |          |          |          |          |
| Amount Issued   | \$28,549              | \$0  | \$50,000              | \$25,000   | \$25,000                   |                              |          |         |         |         |         |         |                   |          |          |          |          |          |               |          |     |          |          |          |                 |          |          |          |          |          |
| Amount Redeemed   | \$18,549              | \$22,500   | \$27,500              | \$25,000   | \$25,000                   |                              |          |         |         |         |         |         |                   |          |          |          |          |          |               |          |     |          |          |          |                 |          |          |          |          |          |
| <b>Comments on Historical and Projected Information:</b>  |                       |  |                       |  |                            |                              |          |         |         |         |         |         |                   |          |          |          |          |          |               |          |     |          |          |          |                 |          |          |          |          |          |

## TAX CREDIT ANALYSIS

| Program Name: Amateur Sporting Contribution Tax Credit - Contribution   |                     |   |   |             |        |           |         |   |  |         |   |  |         |   |  |         |  |   |         |  |   |
|---|---------------------|---|---|-------------|--------|-----------|---------|---|--|---------|---|--|---------|---|--|---------|--|---|---------|--|---|
| BENEFIT: COST ANALYSIS (includes only state revenue impacts)  |                     |   |   |             |        |           |         |   |  |         |   |  |         |   |  |         |  |   |         |  |   |
|   | FY 2021<br>ACTIVITY | Other Fiscal Period<br>(5-Years)                                | Derivation of Benefits:<br>Investment: N/A<br>Employment: N/A<br>Other Assumptions: (a) \$25,000 in Administrative and Support Services spending in 2021. (b) Contribution tax credits will be paid back to state in the total amount issued by the local sponsoring organization.<br>Incentives/Credits: (a) \$25,000 in Amateur Sporting Contribution tax credits in 2021.<br>Impacts occur Statewide. All Values in Constant Dollars. Assumptions provided by DED. Estimated using REMI. |             |        |           |         |   |  |         |   |  |         |   |  |         |  |   |         |  |   |
| BENEFITS  |                     |   |   |             |        |           |         |   |  |         |   |  |         |   |  |         |  |   |         |  |   |
| Direct Fiscal Benefits  | \$12,096            | \$12,171  |   |             |        |           |         |   |  |         |   |  |         |   |  |         |  |   |         |  |   |
| Indirect Fiscal Benefits  | \$13,587            | \$13,672  |   |             |        |           |         |   |  |         |   |  |         |   |  |         |  |   |         |  |   |
| Total   | \$25,683            | \$25,843  |   |             |        |           |         |   |  |         |   |  |         |   |  |         |  |   |         |  |   |
| COSTS   |                     |   |   |             |        |           |         |   |  |         |   |  |         |   |  |         |  |   |         |  |   |
| Direct Fiscal Costs   | \$25,000            | \$25,000  |   |             |        |           |         |   |  |         |   |  |         |   |  |         |  |   |         |  |   |
| Indirect Fiscal Costs   | \$0                 | \$0   |   |             |        |           |         |   |  |         |   |  |         |   |  |         |  |   |         |  |   |
| Total   | \$25,000            | \$25,000  |   |             |        |           |         |   |  |         |   |  |         |   |  |         |  |   |         |  |   |
| BENEFIT: COST   | 1.03                | 1.03  |   |             |        |           |         |   |  |         |   |  |         |   |  |         |  |   |         |  |   |
| Other Benefits:   |                     |   |   |             |        |           |         |   |  |         |   |  |         |   |  |         |  |   |         |  |   |
| In FY-2021, every dollar of auth. program tax credits returns   |                     | Over 5 YEARS, every dollar of auth. program tax credits returns |   |             |        |           |         |   |  |         |   |  |         |   |  |         |  |   |         |  |   |
| \$0.78 in new personal income totaling  | \$0.02 million      | \$1.05 in new personal income totaling                          | \$0.03 million  |             |        |           |         |   |  |         |   |  |         |   |  |         |  |   |         |  |   |
| \$1.18 in new value-added/GSP totaling  | \$0.03 million      | \$1.25 in new value-added/GSP totaling                          | \$0.03 million  |             |        |           |         |   |  |         |   |  |         |   |  |         |  |   |         |  |   |
| \$1.99 in new economic output totaling  | \$0.05 million      | \$2.10 in new economic output totaling                          | \$0.05 million  |             |        |           |         |   |  |         |   |  |         |   |  |         |  |   |         |  |   |
| PERFORMANCE MEASURE(S)  |                     |   |   |             |        |           |         |   |  |         |   |  |         |   |  |         |  |   |         |  |   |
| Permanent New Jobs Created  |                     |   |   |             |        |           |         |   |  |         |   |  |         |   |  |         |  |   |         |  |   |
| <table><thead><tr><th>Fiscal Year</th><th>Actual</th><th>Estimated</th></tr></thead><tbody><tr><td>FY 2019</td><td>0</td><td></td></tr><tr><td>FY 2020</td><td>0</td><td></td></tr><tr><td>FY 2021</td><td>0</td><td></td></tr><tr><td>FY 2022</td><td></td><td>0</td></tr><tr><td>FY 2023</td><td></td><td>0</td></tr></tbody></table> |                     |   |   | Fiscal Year | Actual | Estimated | FY 2019 | 0 |  | FY 2020 | 0 |  | FY 2021 | 0 |  | FY 2022 |  | 0 | FY 2023 |  | 0 |
| Fiscal Year   | Actual              | Estimated   |   |             |        |           |         |   |  |         |   |  |         |   |  |         |  |   |         |  |   |
| FY 2019   | 0                   |   |   |             |        |           |         |   |  |         |   |  |         |   |  |         |  |   |         |  |   |
| FY 2020   | 0                   |   |   |             |        |           |         |   |  |         |   |  |         |   |  |         |  |   |         |  |   |
| FY 2021   | 0                   |   |   |             |        |           |         |   |  |         |   |  |         |   |  |         |  |   |         |  |   |
| FY 2022   |                     | 0   |   |             |        |           |         |   |  |         |   |  |         |   |  |         |  |   |         |  |   |
| FY 2023   |                     | 0   |   |             |        |           |         |   |  |         |   |  |         |   |  |         |  |   |         |  |   |
| Comments on Performance Measure:  |                     |   |   |             |        |           |         |   |  |         |   |  |         |   |  |         |  |   |         |  |   |



## AMATEUR SPORTING TAX CREDIT PROGRAM

### PURPOSE

To promote the growth of Missouri's economy by incentivizing the selection of competitively bid amateur sporting events in Missouri.

### AUTHORIZATION

Section 67.3000, RSMo

### ELIGIBLE APPLICANTS

One or more certified sponsors, endorsing counties, endorsing municipalities, or a local organizing committee, acting individually or collectively.

### PROGRAM BENEFITS/ELIGIBLE USES

The Program provides tax credits equal to the lesser of:

- \$5 per admission ticket sold to the event; or
- 100% of eligible costs incurred by the applicant.

Tax Credits can be applied to:

- Ch. 143 – Income Tax
- Ch. 148 –
  - Bank Tax
  - Insurance Premium Tax
  - Other Financial Institution Tax

The special attributes of the tax credits include:

- Useable within 1 year of the tax year the tax credit is issued
- Sellable and transferable

### FUNDING LIMITS

The program has an overall cap of \$3 million for each state fiscal year. All applications received must be for sporting events applied for prior to August 28, 2019.

### APPLICATION/APPROVAL PROCEDURE

The program is administered through a four part application process. A Project Proposal is first submitted to the Missouri Department of Economic Development (DED). If the DED approves the Project Proposal, the applicant must submit its support contract. The applicant must also submit an Event Notification to the DED between 30-60 days prior to the date of the sporting event. A Final Application is submitted, just following the completion of the sporting event.

### REPORTING REQUIREMENTS

The "Tax Credit Accountability Act" reporting form must be provided to the Department of Revenue by June 30, in each year during the three years reporting period in which the applicant is required to submit such reports.

### SPECIAL PROGRAM REQUIREMENTS

Applicants must submit predictions on the anticipated economic benefit to the State of Missouri. Applications will be evaluated based upon anticipated and verified economic performance.

### CONTACT

**Missouri Department of Economic Development**

Division of Business and Community Solutions

Development Finance Team

301 West High Street • Room 770 • P.O. Box 118

Jefferson City • MO • 65102

Phone: 573-526-0748 • Fax: 573-522-9462

E-mail: [dedfin@ded.mo.gov](mailto:dedfin@ded.mo.gov) • Web: [www.ded.mo.gov](http://www.ded.mo.gov)

## TAX CREDIT ANALYSIS

| <b>Program Name:</b> Amateur Sporting Tax Credit - Ticket Sales   |                       |   |  |                               |                            |                              |                    |         |                      |         |         |         |                   |             |             |             |             |             |               |           |             |           |           |           |                 |             |             |           |             |             |
|---|-----------------------|---|--|-------------------------------|----------------------------|------------------------------|--------------------|---------|----------------------|---------|---------|---------|-------------------|-------------|-------------|-------------|-------------|-------------|---------------|-----------|-------------|-----------|-----------|-----------|-----------------|-------------|-------------|-----------|-------------|-------------|
| <b>Department:</b> Economic Development   |                       |   | <b>Contact Name &amp; No.:</b> Mark Pauley (573) 522-8006  |                               |                            | <b>Date:</b> January 2022    |                    |         |                      |         |         |         |                   |             |             |             |             |             |               |           |             |           |           |           |                 |             |             |           |             |             |
| <b>Program Category:</b> Business Recruitment   |                       |   | <b>Type:</b> Tax Credit <u>  X  </u>   |                               | <b>Other (specify)</b>     |                              |                    |         |                      |         |         |         |                   |             |             |             |             |             |               |           |             |           |           |           |                 |             |             |           |             |             |
| <b>Statutory Authority:</b> Section 67.3000, RSMo   |                       |   | <b>Applicable Taxes:</b> Income Tax; Bank Tax; Insurance Premium Tax; Other financial institutions tax |                               |                            |                              |                    |         |                      |         |         |         |                   |             |             |             |             |             |               |           |             |           |           |           |                 |             |             |           |             |             |
| <b>Date of Origin:</b> 2013   |                       |   |  |                               |                            |                              |                    |         |                      |         |         |         |                   |             |             |             |             |             |               |           |             |           |           |           |                 |             |             |           |             |             |
| <b>Program Description and Eligibility Requirements:</b><br>This program provides a tax credit that is designed to encourage the location of competitively bid amateur sporting events in Missouri. The program is available to: "certified sponsors" active in the National Association of Sports Commissions, "endorsing counties", "endorsing municipalities", and "local organizing committees".  |                       |   |  |                               |                            |                              |                    |         |                      |         |         |         |                   |             |             |             |             |             |               |           |             |           |           |           |                 |             |             |           |             |             |
| <b>Explanation of How Award is Computed:</b> <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 30%;"><b>Entitlement</b></td> <td style="width: 10%; text-align: center;">No</td> <td style="width: 30%;"><b>Discretionary</b></td> <td style="width: 10%; text-align: center;">Yes</td> <td colspan="2"></td> </tr> </table> <p>Eligible applicants can be awarded up to the lesser of \$5 per event ticket, or 100% of eligible costs. Eligible costs include: 1) costs necessary for conducting the sporting event, 2) costs relating to the preparations necessary for the conduct of the sporting event, and 3) the applicant's pledged obligations to the site selection organization as evidenced by the support contract.</p> |                       |   |  |                               |                            |                              | <b>Entitlement</b> | No      | <b>Discretionary</b> | Yes     |         |         |                   |             |             |             |             |             |               |           |             |           |           |           |                 |             |             |           |             |             |
| <b>Entitlement</b>  | No                    | <b>Discretionary</b>                        | Yes  |                               |                            |                              |                    |         |                      |         |         |         |                   |             |             |             |             |             |               |           |             |           |           |           |                 |             |             |           |             |             |
| <b>Program Cap:</b> Cumulative \$ _____ (remainder of cumulative cap) \$ _____ Annual <u>\$3 million</u> None _____<br><b>Explanation of cap:</b><br>No more than \$3 million dollars in tax credits can be issued in a given fiscal year. Maximum amount is \$2.7M combined for applicants in Jackson County, St. Louis, and St. Louis County.   |                       |   |  |                               |                            |                              |                    |         |                      |         |         |         |                   |             |             |             |             |             |               |           |             |           |           |           |                 |             |             |           |             |             |
| <b>Explanation of Expiration of Authority:</b> The Amateur Sporting Tax Credit sunsets August 28, 2025.   |                       |   |  |                               |                            |                              |                    |         |                      |         |         |         |                   |             |             |             |             |             |               |           |             |           |           |           |                 |             |             |           |             |             |
| <b>Specific Provisions:</b> (if applicable)<br>Carry forward <table style="display: inline-table; border: 1px solid black; width: 60px; text-align: center;">1 year</table> Carry Back <table style="display: inline-table; border: 1px solid black; width: 60px; text-align: center;">1 year</table> Refundable <table style="display: inline-table; border: 1px solid black; width: 60px; text-align: center;">Yes</table> Sellable/Assignable <table style="display: inline-table; border: 1px solid black; width: 60px; text-align: center;">Yes</table> Additional Federal Deductions Available <table style="display: inline-table; border: 1px solid black; width: 60px; text-align: center;">No</table>   |                       |   |  |                               |                            |                              |                    |         |                      |         |         |         |                   |             |             |             |             |             |               |           |             |           |           |           |                 |             |             |           |             |             |
| <b>Comments on Specific Provisions:</b>   |                       |   |  |                               |                            |                              |                    |         |                      |         |         |         |                   |             |             |             |             |             |               |           |             |           |           |           |                 |             |             |           |             |             |
|   | <b>FY 2019 ACTUAL</b> | <b>FY 2020 ACTUAL</b>                       | <b>FY 2021 ACTUAL</b>  | <b>FY 2022 (year to date)</b> | <b>FY 2022 (Full Year)</b> | <b>FY 2023 (Budget Year)</b> |                    |         |                      |         |         |         |                   |             |             |             |             |             |               |           |             |           |           |           |                 |             |             |           |             |             |
| Certificates Issued (#)   | 5                     | 6   | 7  | 8                             | 8                          | 8                            |                    |         |                      |         |         |         |                   |             |             |             |             |             |               |           |             |           |           |           |                 |             |             |           |             |             |
| Projects (#)  | 5                     | 6   | 7  | 8                             | 8                          | 8                            |                    |         |                      |         |         |         |                   |             |             |             |             |             |               |           |             |           |           |           |                 |             |             |           |             |             |
| Amount Authorized   | \$1,265,000           | \$1,185,000                                 | \$7,799,425  | \$636,000                     | \$3,000,000                | \$3,000,000                  |                    |         |                      |         |         |         |                   |             |             |             |             |             |               |           |             |           |           |           |                 |             |             |           |             |             |
| Amount Issued   | \$293,810             | \$1,132,640                                 | \$404,970  | \$620,117                     | \$600,000                  | \$600,000                    |                    |         |                      |         |         |         |                   |             |             |             |             |             |               |           |             |           |           |           |                 |             |             |           |             |             |
| Amount Redeemed   | \$1,420,500           | \$1,391,995                                 | \$128,770  | \$638,550                     | \$1,000,000                | \$1,000,000                  |                    |         |                      |         |         |         |                   |             |             |             |             |             |               |           |             |           |           |           |                 |             |             |           |             |             |
|   |                       |   |  |                               |                            |                              |                    |         |                      |         |         |         |                   |             |             |             |             |             |               |           |             |           |           |           |                 |             |             |           |             |             |
| FY 2021 EST. Amount Outstanding   | \$276,200             | FY 2021 EST. Amount Authorized but Unissued |  | \$11,465,895                  |                            |                              |                    |         |                      |         |         |         |                   |             |             |             |             |             |               |           |             |           |           |           |                 |             |             |           |             |             |
| <b>HISTORICAL AND PROJECTED INFORMATION</b>   |                       |   |  |                               |                            |                              |                    |         |                      |         |         |         |                   |             |             |             |             |             |               |           |             |           |           |           |                 |             |             |           |             |             |
| <table border="1" style="width: 100%; border-collapse: collapse; margin-top: 10px;"> <caption>Historical and Projected Information Data</caption> <thead> <tr> <th>Category</th> <th>FY 2019</th> <th>FY 2020</th> <th>FY 2021</th> <th>FY 2022</th> <th>FY 2023</th> </tr> </thead> <tbody> <tr> <td>Amount Authorized</td> <td>\$1,265,000</td> <td>\$1,185,000</td> <td>\$7,799,425</td> <td>\$3,000,000</td> <td>\$3,000,000</td> </tr> <tr> <td>Amount Issued</td> <td>\$293,810</td> <td>\$1,132,640</td> <td>\$404,970</td> <td>\$600,000</td> <td>\$600,000</td> </tr> <tr> <td>Amount Redeemed</td> <td>\$1,420,500</td> <td>\$1,391,995</td> <td>\$128,770</td> <td>\$1,000,000</td> <td>\$1,000,000</td> </tr> </tbody> </table>                       |                       |   |  |                               |                            |                              | Category           | FY 2019 | FY 2020              | FY 2021 | FY 2022 | FY 2023 | Amount Authorized | \$1,265,000 | \$1,185,000 | \$7,799,425 | \$3,000,000 | \$3,000,000 | Amount Issued | \$293,810 | \$1,132,640 | \$404,970 | \$600,000 | \$600,000 | Amount Redeemed | \$1,420,500 | \$1,391,995 | \$128,770 | \$1,000,000 | \$1,000,000 |
| Category  | FY 2019               | FY 2020                                     | FY 2021  | FY 2022                       | FY 2023                    |                              |                    |         |                      |         |         |         |                   |             |             |             |             |             |               |           |             |           |           |           |                 |             |             |           |             |             |
| Amount Authorized   | \$1,265,000           | \$1,185,000                                 | \$7,799,425  | \$3,000,000                   | \$3,000,000                |                              |                    |         |                      |         |         |         |                   |             |             |             |             |             |               |           |             |           |           |           |                 |             |             |           |             |             |
| Amount Issued   | \$293,810             | \$1,132,640                                 | \$404,970  | \$600,000                     | \$600,000                  |                              |                    |         |                      |         |         |         |                   |             |             |             |             |             |               |           |             |           |           |           |                 |             |             |           |             |             |
| Amount Redeemed   | \$1,420,500           | \$1,391,995                                 | \$128,770  | \$1,000,000                   | \$1,000,000                |                              |                    |         |                      |         |         |         |                   |             |             |             |             |             |               |           |             |           |           |           |                 |             |             |           |             |             |
| <b>Comments on Historical and Projected Information:</b> Projected information is based on 3 year average and known upcoming events.  |                       |   |  |                               |                            |                              |                    |         |                      |         |         |         |                   |             |             |             |             |             |               |           |             |           |           |           |                 |             |             |           |             |             |

## TAX CREDIT ANALYSIS

**Program Name:** Amateur Sporting Tax Credit - Ticket Sales

### BENEFIT: COST ANALYSIS (includes only state revenue impacts)

|                          | FY 2021<br>ACTIVITY | Other Fiscal Period<br>(5 years) | Derivation of Benefits:   |
|--------------------------|---------------------|----------------------------------|---|
| <b>BENEFITS</b>          |                     |                                  | Investment: N/A   |
| Direct Fiscal Benefits   | \$143,659           | \$160,799                        | Employment: N/A   |
| Indirect Fiscal Benefits | \$173,656           | \$194,375                        | Other Assumptions: (a) 80% of ticket sales estimated for facility operations of \$2,334,478 in 2021. (b) 60% (8,286) of the 13,810 expected daily attendees bring new visitor spending of \$3,413,832 to the state during events. |
| <b>Total</b>             | \$317,316           | \$355,175                        | Incentives/Credits: (a) \$276,200 in Amateur Sports tax credits in year 2021.   |
| <b>COSTS</b>             |                     |                                  | Impacts occur Statewide. All Values in Constant Dollars. Assumptions provided by DED. Estimated using REMI.   |
| Direct Fiscal Costs      | \$276,200           | \$276,200                        |   |
| Indirect Fiscal Costs    | \$0                 | \$0                              |   |
| <b>Total</b>             | \$276,200           | \$276,200                        |   |
| <b>BENEFIT: COST</b>     | <b>1.15</b>         | <b>1.29</b>                      |   |

#### Other Benefits:

##### In FY-2021, every dollar of auth. program tax credits returns

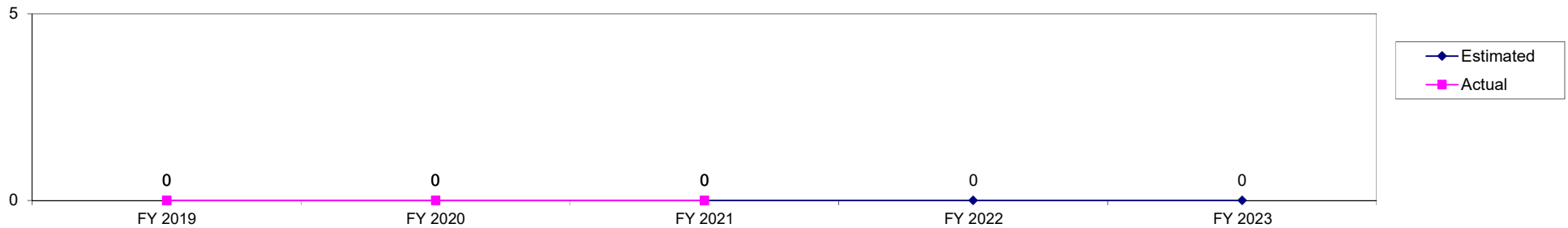
\$13.04 in new personal income totaling \$3.60 million  
 \$21.12 in new value-added/GSP totaling \$5.83 million  
 \$35.87 in new economic output totaling \$9.91 million

##### Over 5 YEARS, every dollar of auth. program tax credits returns

\$18.85 in new personal income totaling \$5.21 million  
 \$23.34 in new value-added/GSP totaling \$6.45 million  
 \$39.47 in new economic output totaling \$10.90 million

### PERFORMANCE MEASURE(S)

#### Permanent New Jobs Created



**Comments on Performance Measure:**



## BROWNFIELD REDEVELOPMENT PROGRAM

Provides financial incentives for the redevelopment of commercial/industrial sites that are contaminated with hazardous substances and have been abandoned or underutilized for at least three years.

### AUTHORIZATION

Sections 447.700 to 447.718, RSMo

### ELIGIBLE AREAS

Statewide.

### ELIGIBLE APPLICANTS

Any Missouri taxpayer is eligible to participate in the program.

### ELIGIBILITY CRITERIA

- The applicant cannot be a party who intentionally or negligently caused the release or potential release of hazardous substances at the project.
- If the property is not owned by a public entity, the city or county must endorse the project.
- The project must be accepted into the "Voluntary Cleanup Program" of the Missouri Department of Natural Resources (DNR).
- The project must be projected by the Missouri Department of Economic Development (DED) to result in the creation of at least ten new jobs or the retention of 25 jobs by a private commercial operation.

### PROGRAM BENEFITS/ELIGIBLE USES

- Remediation Tax Credits

DED may issue tax credits for up to 100% of the cost of remediating the project property. DED will issue 75% of the credits upon adequate proof of payment of the costs; the remaining 25% will not be issued until a clean letter has been issued by DNR. The tax credit may also include up to 100 percent of the costs of demolition that are not directly part of the remediation activities, provided that the demolition is on the property where the voluntary remediation activities are occurring, the demolition is necessary to accomplish the planned use of the facility where the remediation activities are occurring, and the demolition is part of a redevelopment plan approved by the municipal or county government and the department of economic development. The demolition may occur on an adjacent property if the project is located in a municipality which has a population less than twenty thousand and the above conditions are otherwise met. The adjacent property shall independently qualify as abandoned or underutilized. The amount of the credit available for demolition not associated with remediation cannot exceed the total amount of credits approved for remediation including demolition required for remediation.

Notwithstanding any provision of law to the contrary, in any county of the first classification that has a charter form of government and that has a population of over nine hundred thousand inhabitants, all demolition costs incurred during the redevelopment of any former automobile manufacturing plant shall be allowable costs

eligible for tax credits under sections 447.700 to 447.718 so long as the redevelopment of such former automobile manufacturing plant shall be projected to create at least two hundred fifty new jobs or at least three hundred retained jobs, or a combination thereof, as determined by the department of economic development. The amount of allowable costs eligible for tax credits shall be limited to the least amount necessary to cause the project to occur, as determined by the director of the department of economic development, provided that no tax credit shall be issued under this subsection until July 1, 2017. For purposes of this subsection, "former automobile manufacturing plant" means a redevelopment area that qualifies as an eligible project under section 447.700, that consists of at least one hundred acres, and that was used primarily for the manufacture of automobiles but, after 2007, ceased such manufacturing.

The tax credits can be applied to:

- Ch. 143 – Income tax, excluding withholding tax
- Ch. 147 – Corporate franchise tax
- Ch. 148 –
  - Bank Tax
  - Insurance Premium Tax
  - Other Financial Institution Tax

The remediation tax credit's special attributes:

- Carry forward 20 years
- Sellable or transferable

### FUNDING LIMITS

The total state costs of the project tax credits must be less than the projected state economic impact of the project, as determined by DED.

The amount of remediation tax credits issued must be the least amount necessary to cause the project to occur.

### APPLICATION/APPROVAL PROCEDURE

An applicant must submit an application to DED for determination of eligibility and request for remediation tax credits.

An application must also be submitted to the Department of Natural Resources (DNR) for participation in the "Voluntary Cleanup Program." Acceptance into this program is a requirement of the Brownfield Redevelopment Program.

Remediation that is performed prior to receipt of a written authorization for remediation tax credits from DED will not be eligible for tax credits and may jeopardize the project's overall eligibility for the program.

Applications may be submitted year-round. Each application is reviewed on a case-by-case basis.

## REPORTING REQUIREMENTS

The "Tax Credit Accountability Act" reporting form must be submitted to DED by June 30 each year for three years following the year of the first issuance of tax credits.

## SPECIAL PROGRAM REQUIREMENTS

Credits are subject to 2.5% issuance fee.

## CONTACT

### Missouri Department of Economic Development

Division of Business and Community Solutions

301 West High Street, Room 770 • P.O. Box 118  
Jefferson City, MO • 65102

Phone: 573-522-8004 • Fax: 573-522-9462

E-mail: [redvelopment@ded.mo.gov](mailto:redvelopment@ded.mo.gov)

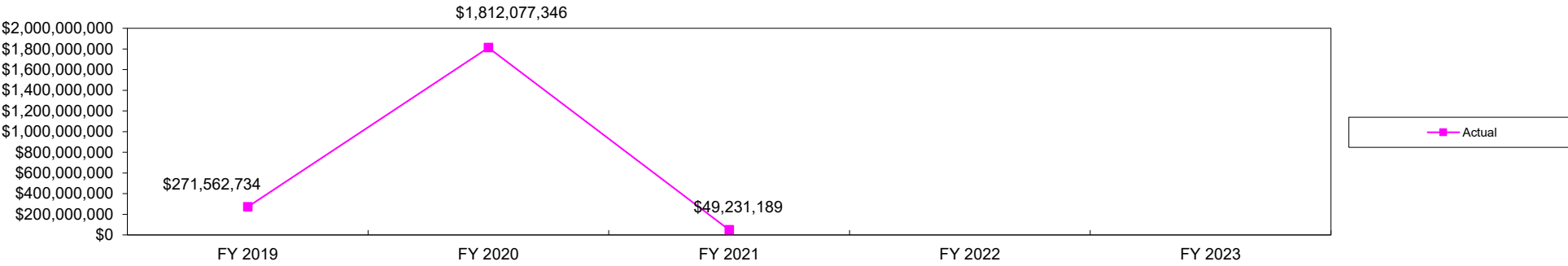
Web: [www.ded.mo.gov](http://www.ded.mo.gov)

| <b>Program Name:</b> Brownfield Remediation   |                       |                       |   |   |                              |                              |          |         |         |         |                     |                     |                   |             |              |           |             |             |               |              |              |              |              |              |                 |              |             |              |              |              |
|---|-----------------------|-----------------------|---|---|------------------------------|------------------------------|----------|---------|---------|---------|---------------------|---------------------|-------------------|-------------|--------------|-----------|-------------|-------------|---------------|--------------|--------------|--------------|--------------|--------------|-----------------|--------------|-------------|--------------|--------------|--------------|
| <b>Department:</b> Economic Development   |                       |                       | <b>Contact Name &amp; No.:</b> Mark Pauley (573) 522-8006   |   |                              | <b>Date:</b> January 2022    |          |         |         |         |                     |                     |                   |             |              |           |             |             |               |              |              |              |              |              |                 |              |             |              |              |              |
| <b>Program Category:</b> Redevelopment  |                       |                       | <b>Type:</b> Tax Credit <u>X</u> Other (specify) _____  |   |                              |                              |          |         |         |         |                     |                     |                   |             |              |           |             |             |               |              |              |              |              |              |                 |              |             |              |              |              |
| <b>Statutory Authority:</b> Sections 447.700-447.718, RSMo  |                       |                       | <b>Applicable Taxes:</b> Income Tax; Corporate Franchise Tax; Bank Tax; Insurance Premium Tax; Other financial institutions tax |   |                              |                              |          |         |         |         |                     |                     |                   |             |              |           |             |             |               |              |              |              |              |              |                 |              |             |              |              |              |
| <b>Date of Origin:</b> 1995   |                       |                       |   |   |                              |                              |          |         |         |         |                     |                     |                   |             |              |           |             |             |               |              |              |              |              |              |                 |              |             |              |              |              |
| <b>Program Description and Eligibility Requirements:</b><br>Provide an incentive to businesses/developers to redevelop property contaminated with hazardous wastes. Requirements are property abandoned or underutilized for at least three years. Real or suspected environmental contamination and must enter the Department of Natural Resource's (DNR) Voluntary Cleanup Program. Project must create 10 new jobs or retain 25 jobs.  |                       |                       |   |   |                              |                              |          |         |         |         |                     |                     |                   |             |              |           |             |             |               |              |              |              |              |              |                 |              |             |              |              |              |
| <b>Explanation of How Award is Computed:</b>  |                       | <b>Entitlement</b>    | <input type="checkbox"/> No   | <b>Discretionary</b>                        | <input type="checkbox"/> Yes |                              |          |         |         |         |                     |                     |                   |             |              |           |             |             |               |              |              |              |              |              |                 |              |             |              |              |              |
| Tax credit of up to 100% of eligible remediation costs. The program requires the project to enroll in DNR's Voluntary Cleanup Program. 75% upon payment of remediation costs; 25% upon issuance of DNR "clean letter". Must be the least amount necessary to cause the project to occur. Total benefits of project capped by state economic benefit of project.   |                       |                       |   |   |                              |                              |          |         |         |         |                     |                     |                   |             |              |           |             |             |               |              |              |              |              |              |                 |              |             |              |              |              |
| <b>Program Cap:</b> Cumulative \$ _____ (remainder of cumulative cap) \$ _____ Annual \$ _____ None <u>X</u>  |                       |                       |   |   |                              |                              |          |         |         |         |                     |                     |                   |             |              |           |             |             |               |              |              |              |              |              |                 |              |             |              |              |              |
| <b>Explanation of cap:</b><br>N/A   |                       |                       |   |   |                              |                              |          |         |         |         |                     |                     |                   |             |              |           |             |             |               |              |              |              |              |              |                 |              |             |              |              |              |
| <b>Explanation of Expiration of Authority:</b>  |                       |                       |   |   |                              |                              |          |         |         |         |                     |                     |                   |             |              |           |             |             |               |              |              |              |              |              |                 |              |             |              |              |              |
| <b>Specific Provisions:</b> (if applicable)<br>Carry forward <input type="text" value="20 years"/> Carry Back <input type="text" value="n/a"/> Refundable <input type="text" value="No"/> Sellable/Assignable <input type="text" value="Yes"/> Additional Federal Deductions Available <input type="text" value="No"/>  |                       |                       |   |   |                              |                              |          |         |         |         |                     |                     |                   |             |              |           |             |             |               |              |              |              |              |              |                 |              |             |              |              |              |
| <b>Comments on Specific Provisions:</b>   |                       |                       |   |   |                              |                              |          |         |         |         |                     |                     |                   |             |              |           |             |             |               |              |              |              |              |              |                 |              |             |              |              |              |
|   | <b>FY 2019 ACTUAL</b> | <b>FY 2020 ACTUAL</b> | <b>FY 2021 ACTUAL</b>   | <b>FY 2022 (year to date)</b>               | <b>FY 2022 (Full Year)</b>   | <b>FY 2023 (Budget Year)</b> |          |         |         |         |                     |                     |                   |             |              |           |             |             |               |              |              |              |              |              |                 |              |             |              |              |              |
| Certificates Issued (#)   | 9                     | 7                     | 15  | 1   | 10                           | 10                           |          |         |         |         |                     |                     |                   |             |              |           |             |             |               |              |              |              |              |              |                 |              |             |              |              |              |
| Projects (#)  | 9                     | 3                     | 4   | 1   | 5                            | 5                            |          |         |         |         |                     |                     |                   |             |              |           |             |             |               |              |              |              |              |              |                 |              |             |              |              |              |
| Amount Authorized   | \$2,000,000           | \$12,188,931          | \$904,491   | \$0   | \$5,000,000                  | \$5,000,000                  |          |         |         |         |                     |                     |                   |             |              |           |             |             |               |              |              |              |              |              |                 |              |             |              |              |              |
| Amount Issued   | \$15,475,688          | \$13,854,367          | \$11,156,257  | \$659,940                                   | \$13,500,000                 | \$13,500,000                 |          |         |         |         |                     |                     |                   |             |              |           |             |             |               |              |              |              |              |              |                 |              |             |              |              |              |
| Amount Redeemed   | \$13,028,588          | \$9,645,097           | \$21,382,422  | \$2,760,812                                 | \$14,700,000                 | \$14,700,000                 |          |         |         |         |                     |                     |                   |             |              |           |             |             |               |              |              |              |              |              |                 |              |             |              |              |              |
| FY 2021 EST. Amount Outstanding   |                       | \$29,918,298          |   | FY 2021 EST. Amount Authorized but Unissued |                              | \$7,938,013                  |          |         |         |         |                     |                     |                   |             |              |           |             |             |               |              |              |              |              |              |                 |              |             |              |              |              |
| <b>HISTORICAL AND PROJECTED INFORMATION</b>   |                       |                       |   |   |                              |                              |          |         |         |         |                     |                     |                   |             |              |           |             |             |               |              |              |              |              |              |                 |              |             |              |              |              |
| <table border="1" style="margin-top: 10px; width: 100%; border-collapse: collapse;"> <caption>Historical and Projected Information Data</caption> <thead> <tr> <th>Category</th> <th>FY 2019</th> <th>FY 2020</th> <th>FY 2021</th> <th>FY 2022 (Projected)</th> <th>FY 2023 (Projected)</th> </tr> </thead> <tbody> <tr> <td>Amount Authorized</td> <td>\$2,000,000</td> <td>\$12,188,931</td> <td>\$904,491</td> <td>\$5,000,000</td> <td>\$5,000,000</td> </tr> <tr> <td>Amount Issued</td> <td>\$15,475,688</td> <td>\$13,854,367</td> <td>\$11,156,257</td> <td>\$13,500,000</td> <td>\$13,500,000</td> </tr> <tr> <td>Amount Redeemed</td> <td>\$13,028,588</td> <td>\$9,645,097</td> <td>\$21,382,422</td> <td>\$14,700,000</td> <td>\$14,700,000</td> </tr> </tbody> </table> |                       |                       |   |   |                              |                              | Category | FY 2019 | FY 2020 | FY 2021 | FY 2022 (Projected) | FY 2023 (Projected) | Amount Authorized | \$2,000,000 | \$12,188,931 | \$904,491 | \$5,000,000 | \$5,000,000 | Amount Issued | \$15,475,688 | \$13,854,367 | \$11,156,257 | \$13,500,000 | \$13,500,000 | Amount Redeemed | \$13,028,588 | \$9,645,097 | \$21,382,422 | \$14,700,000 | \$14,700,000 |
| Category  | FY 2019               | FY 2020               | FY 2021   | FY 2022 (Projected)                         | FY 2023 (Projected)          |                              |          |         |         |         |                     |                     |                   |             |              |           |             |             |               |              |              |              |              |              |                 |              |             |              |              |              |
| Amount Authorized   | \$2,000,000           | \$12,188,931          | \$904,491   | \$5,000,000                                 | \$5,000,000                  |                              |          |         |         |         |                     |                     |                   |             |              |           |             |             |               |              |              |              |              |              |                 |              |             |              |              |              |
| Amount Issued   | \$15,475,688          | \$13,854,367          | \$11,156,257  | \$13,500,000                                | \$13,500,000                 |                              |          |         |         |         |                     |                     |                   |             |              |           |             |             |               |              |              |              |              |              |                 |              |             |              |              |              |
| Amount Redeemed   | \$13,028,588          | \$9,645,097           | \$21,382,422  | \$14,700,000                                | \$14,700,000                 |                              |          |         |         |         |                     |                     |                   |             |              |           |             |             |               |              |              |              |              |              |                 |              |             |              |              |              |
| <b>Comments on Historical and Projected Information:</b> Projected information is based on 3 year average.  |                       |                       |   |   |                              |                              |          |         |         |         |                     |                     |                   |             |              |           |             |             |               |              |              |              |              |              |                 |              |             |              |              |              |

| Program Name: Brownfield Remediation  |                     |                                   |   |             |              |         |       |         |       |         |    |
|---|---------------------|-----------------------------------|---|-------------|--------------|---------|-------|---------|-------|---------|----|
| BENEFIT: COST ANALYSIS (includes only state revenue impacts)  |                     |                                   |   |             |              |         |       |         |       |         |    |
|   | FY 2021<br>ACTIVITY | Other Fiscal Period<br>(10 years) | Derivation of Benefits:<br>Investment: (a) \$50,135,680 in Non-Residential Investment spending over years 2021-2022. (b) \$500,000.00 in Acquisition spending resulting in \$30,000 in real estate revenues in 2021.<br>Employment: (a) 15 jobs in Chemical Manufacturing at average wage rates in 2021-2030.<br>Other Assumptions: N/A<br>Incentives/Credits: (a) \$904,491 in Brownfield Remediation tax credits over years 2021-2022.<br>Impacts occur Statewide. All Values in Constant Dollars. Assumptions provided by DED. Estimated using REMI. |             |              |         |       |         |       |         |    |
| BENEFITS  |                     |                                   |   |             |              |         |       |         |       |         |    |
| Direct Fiscal Benefits  | \$713,903           | \$1,867,817                       |   |             |              |         |       |         |       |         |    |
| Indirect Fiscal Benefits  | \$546,213           | \$1,429,082                       |   |             |              |         |       |         |       |         |    |
| Total   | \$1,260,116         | \$3,296,898                       |   |             |              |         |       |         |       |         |    |
| COSTS   |                     |                                   |   |             |              |         |       |         |       |         |    |
| Direct Fiscal Costs   | \$452,246           | \$895,724                         |   |             |              |         |       |         |       |         |    |
| Indirect Fiscal Costs   | \$0                 | \$0                               |   |             |              |         |       |         |       |         |    |
| Total   | \$452,246           | \$895,724                         |   |             |              |         |       |         |       |         |    |
| BENEFIT: COST   | 2.79                | 3.68                              |   |             |              |         |       |         |       |         |    |
| Other Benefits:<br>In FY-2021, every dollar of auth. program tax credits returns<br>\$47.90 in new personal income totaling \$21.66 million<br>\$81.34 in new value-added/GSP totaling \$36.79 million<br>\$151.06 in new economic output totaling \$68.32 million<br>Over 10 YEARS, every dollar of auth. program tax credits returns<br>\$95.71 in new personal income totaling \$85.73 million<br>\$163.53 in new value-added/GSP totaling \$146.48 million<br>\$320.42 in new economic output totaling \$287.01 million |                     |                                   |   |             |              |         |       |         |       |         |    |
| PERFORMANCE MEASURE(S)  |                     |                                   |   |             |              |         |       |         |       |         |    |
| <div>Jobs Created</div> <table><thead><tr><th>Fiscal Year</th><th>Jobs Created</th></tr></thead><tbody><tr><td>FY 2019</td><td>1,646</td></tr><tr><td>FY 2020</td><td>3,340</td></tr><tr><td>FY 2021</td><td>15</td></tr></tbody></table>   |                     |                                   |   | Fiscal Year | Jobs Created | FY 2019 | 1,646 | FY 2020 | 3,340 | FY 2021 | 15 |
| Fiscal Year   | Jobs Created        |                                   |   |             |              |         |       |         |       |         |    |
| FY 2019   | 1,646               |                                   |   |             |              |         |       |         |       |         |    |
| FY 2020   | 3,340               |                                   |   |             |              |         |       |         |       |         |    |
| FY 2021   | 15                  |                                   |   |             |              |         |       |         |       |         |    |
| Comments on Performance Measure: Numbers are captured from projects that were closed out this fiscal year.  |                     |                                   |   |             |              |         |       |         |       |         |    |

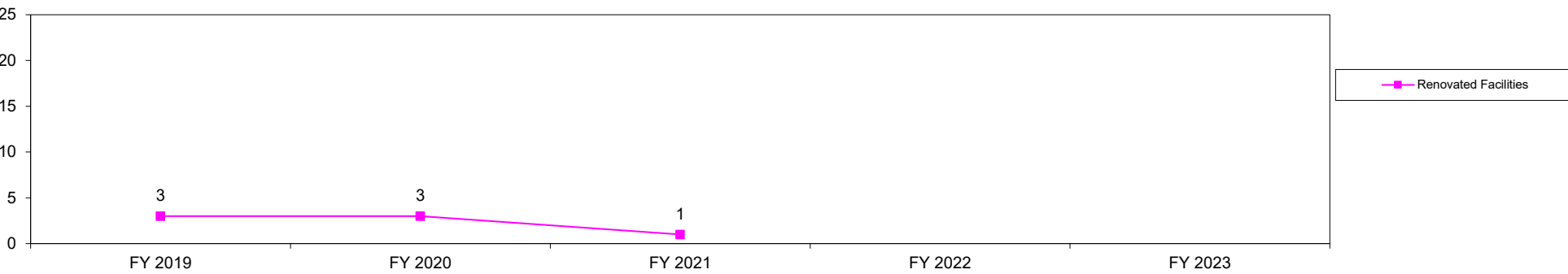
**Program Name:** Brownfield Remediation

**Leverage Amount**



**Comments on Performance Measure:** Numbers are captured from projects that were closed out this fiscal year.

**Renovated Facilities**



**Comments on Performance Measure:** Numbers are captured from projects that were closed out this fiscal year.



## HISTORIC PRESERVATION TAX CREDIT PROGRAM

Provide an incentive for the redevelopment of commercial and residential historic structures in Missouri.

### AUTHORIZATION

Sections 253.545 to 253.559, RSMo

### ELIGIBLE AREAS

Statewide

### ELIGIBLE APPLICANTS

Any taxpayer is eligible to participate in this program. Not-for-profit entities and government entities are ineligible. Any participation by not-for-profit entities, including but not limited to ownership interest, capital contributions, distribution of tax credits, incurrence or payment of rehabilitation expenses, lease to a tax-exempt entity, may result in the reduction of tax credits.

### PROGRAM BENEFITS/ELIGIBLE USES

The program provides state tax credits equal to 25% of eligible costs and expenses of the rehabilitation of approved historic structures.

This tax credit can be applied to:

- Ch. 143 – Income tax, excluding withholding tax
- Ch. 148 –
- Bank Tax
- Insurance Premium Tax
- Other Financial Institution Tax

This credit's special attributes:

- Carry back 3 years
- Carry forward 10 years
- Sellable or transferable

### FUNDING LIMITS

- Effective 7/1/2018, the cap is \$90 million for projects receiving tax credits for \$275,000 or more plus an additional \$30 million solely for projects located in a qualified census tract.
- Owner occupied residential has a project cap of \$250,000 and projects receiving less than \$275,000 do not fall under the program cap.

### APPLICATION/APPROVAL PROCEDURE

An application is submitted to the Missouri Department of Economic Development (DED), which will then be submitted to the State Historic Preservation Office to determine the eligibility of the property and proposed rehabilitation, based

on the standards of the U.S. Department of the Interior.

Preliminary applications subject to the cap will be scored and considered by DED in accordance with section 253.559.3(1), RSMo and accepted in two (2) cycles for each state fiscal year.

Projects receiving less than \$275,000 in credits may be accepted at any time.

### REPORTING REQUIREMENTS

The "Tax Credit Accountability Act" reporting form must be submitted to the Missouri Department of Revenue by June 30 each year for three years following the year of the first issuance of tax credits.

### SPECIAL PROGRAM REQUIREMENTS

An eligible property must be:

- listed individually on the National Register of Historic Places;
- certified by the Missouri Department of Natural Resources as contributing to the historical significance of a certified historic district listed on the National Register; or
- of a local historic district that has been certified by the U.S. Department of the Interior.

The costs and expenses associated with the rehabilitation must exceed 50% of the total basis of the property (acquisition cost).

### CONTACT

Missouri Department of Economic Development

Division of Business and Community Services

301 West High Street, Room 770 • P.O. Box 118

Jefferson City, MO • 65102

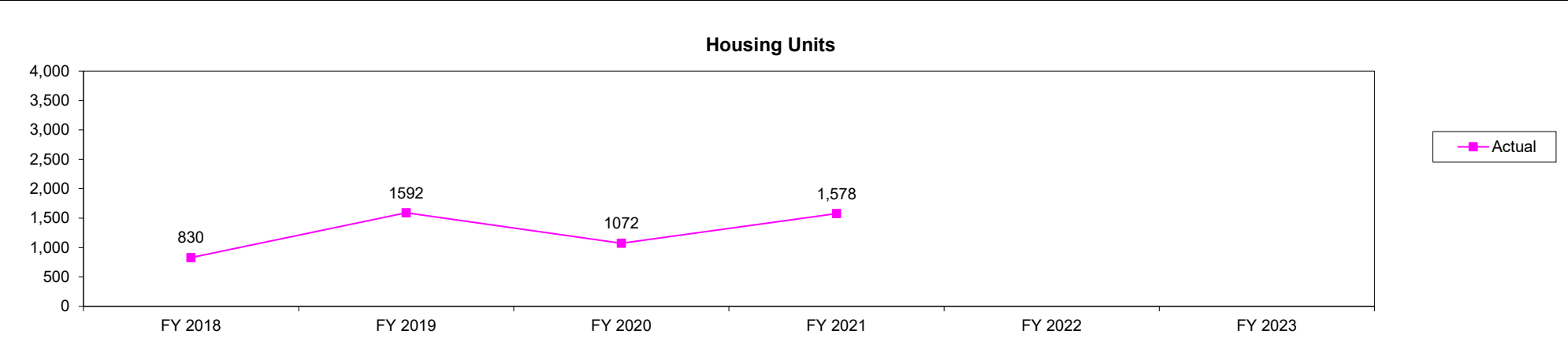
Phone: 573-522-8004 • Fax: 573-522-9462

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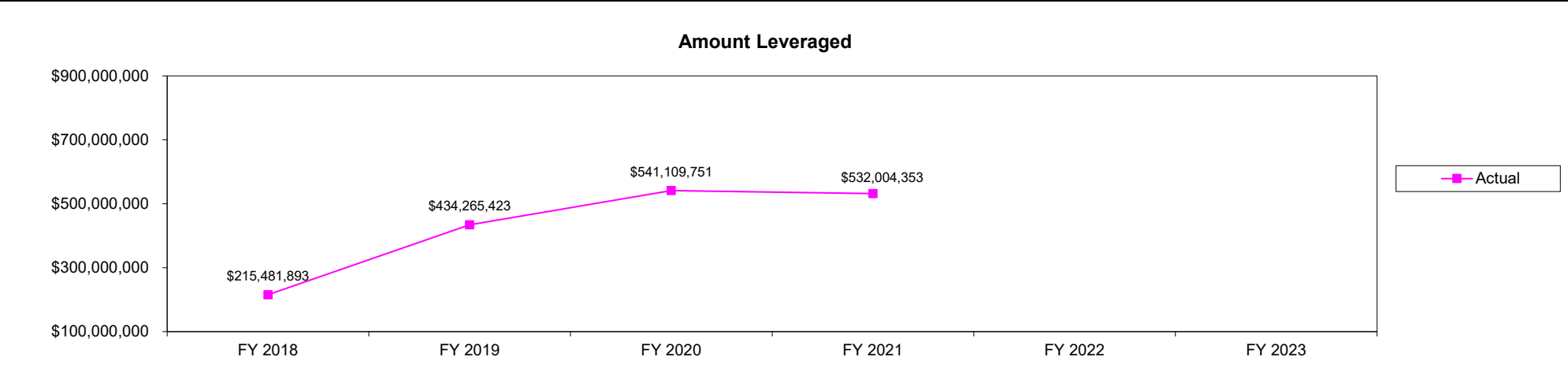
| <b>Program Name:</b> Historic Preservation (HST)   |                              |                       |  |                               |                            |                              |                    |                              |                      |                             |         |         |                   |               |               |               |               |               |               |              |               |               |               |               |                 |              |              |               |              |              |
|--|------------------------------|-----------------------|--|-------------------------------|----------------------------|------------------------------|--------------------|------------------------------|----------------------|-----------------------------|---------|---------|-------------------|---------------|---------------|---------------|---------------|---------------|---------------|--------------|---------------|---------------|---------------|---------------|-----------------|--------------|--------------|---------------|--------------|--------------|
| <b>Department:</b> Economic Development  |                              |                       | <b>Contact Name &amp; No.:</b> Mark Pauley (573) 522-8006  |                               |                            | <b>Date:</b> January 2022    |                    |                              |                      |                             |         |         |                   |               |               |               |               |               |               |              |               |               |               |               |                 |              |              |               |              |              |
| <b>Program Category:</b> Redevelopment   |                              |                       | <b>Type:</b> Tax Credit <input checked="" type="checkbox"/> Other (specify) _____                      |                               |                            |                              |                    |                              |                      |                             |         |         |                   |               |               |               |               |               |               |              |               |               |               |               |                 |              |              |               |              |              |
| <b>Statutory Authority:</b> Sections 253.545-253.561, RSMo   |                              |                       | <b>Applicable Taxes:</b> Income Tax; Bank Tax; Insurance Premium Tax; Other financial institutions tax |                               |                            |                              |                    |                              |                      |                             |         |         |                   |               |               |               |               |               |               |              |               |               |               |               |                 |              |              |               |              |              |
| <b>Date of Origin:</b> 1997  |                              |                       |  |                               |                            |                              |                    |                              |                      |                             |         |         |                   |               |               |               |               |               |               |              |               |               |               |               |                 |              |              |               |              |              |
| <b>Program Description and Eligibility Requirements:</b><br>25% credit issued for qualified rehabilitation costs on historic structures. Individuals, organizations and businesses which have a Missouri liability are eligible to apply.  |                              |                       |  |                               |                            |                              |                    |                              |                      |                             |         |         |                   |               |               |               |               |               |               |              |               |               |               |               |                 |              |              |               |              |              |
| <b>Explanation of How Award is Computed:</b> <table style="width:100%; border: none;"> <tr> <td style="border: none;"><b>Entitlement</b></td> <td style="border: none;"><input type="checkbox"/> Yes</td> <td style="border: none;"><b>Discretionary</b></td> <td style="border: none;"><input type="checkbox"/> No</td> <td colspan="3" style="border: none;"></td> </tr> </table> <p>Applicant applies to Department of Economic Development (DED) at beginning of project to receive preliminary approval. Along with application requirements, proposed work is reviewed by Department of Natural Resources-State Historic Preservation Office (DNR SHPO). After work is complete, applicant files second application along with proof of expenses. Credits are issued after project has met program requirements and work is complete. This is a fiscal year program.</p> |                              |                       |  |                               |                            |                              | <b>Entitlement</b> | <input type="checkbox"/> Yes | <b>Discretionary</b> | <input type="checkbox"/> No |         |         |                   |               |               |               |               |               |               |              |               |               |               |               |                 |              |              |               |              |              |
| <b>Entitlement</b>   | <input type="checkbox"/> Yes | <b>Discretionary</b>  | <input type="checkbox"/> No  |                               |                            |                              |                    |                              |                      |                             |         |         |                   |               |               |               |               |               |               |              |               |               |               |               |                 |              |              |               |              |              |
| <b>Program Cap:</b> Cumulative \$ _____ (remainder of cumulative cap) \$ _____ Annual \$120 million _____ None _____<br><b>Explanation of cap:</b><br>January 1, 2010 - June 30, 2010 cap is \$70M; FY11 - FY19 cap is \$140M/FY. Beginning FY20 cap is \$90M with an additional \$30M solely for projects located in a qualified census tract. Projects not under cap: Owner-occupied residences (capped at \$250,000 in credits) and projects to receive less than \$275,000 in credits.   |                              |                       |  |                               |                            |                              |                    |                              |                      |                             |         |         |                   |               |               |               |               |               |               |              |               |               |               |               |                 |              |              |               |              |              |
| <b>Explanation of Expiration of Authority:</b> Section 253.550, RSMo   |                              |                       |  |                               |                            |                              |                    |                              |                      |                             |         |         |                   |               |               |               |               |               |               |              |               |               |               |               |                 |              |              |               |              |              |
| <b>Specific Provisions:</b> (if applicable)<br>Carry forward <input type="text" value="10 years"/> Carry Back <input type="text" value="3 years"/> Refundable <input type="text" value="No"/> Sellable/Assignable <input type="text" value="Yes"/> Additional Federal Deductions Available <input type="text" value="Yes"/>  |                              |                       |  |                               |                            |                              |                    |                              |                      |                             |         |         |                   |               |               |               |               |               |               |              |               |               |               |               |                 |              |              |               |              |              |
| <b>Comments on Specific Provisions:</b><br>20% Federal Historic Tax Credit   |                              |                       |  |                               |                            |                              |                    |                              |                      |                             |         |         |                   |               |               |               |               |               |               |              |               |               |               |               |                 |              |              |               |              |              |
|  | <b>FY 2019 ACTUAL</b>        | <b>FY 2020 ACTUAL</b> | <b>FY 2021 ACTUAL</b>  | <b>FY 2022 (year to date)</b> | <b>FY 2022 (Full Year)</b> | <b>FY 2023 (Budget Year)</b> |                    |                              |                      |                             |         |         |                   |               |               |               |               |               |               |              |               |               |               |               |                 |              |              |               |              |              |
| Certificates Issued (#)  | 221                          | 179                   | 191  | 106                           | 260                        | 260                          |                    |                              |                      |                             |         |         |                   |               |               |               |               |               |               |              |               |               |               |               |                 |              |              |               |              |              |
| Projects/Participants (#)  | 147                          | 141                   | 145  | 86                            | 185                        | 185                          |                    |                              |                      |                             |         |         |                   |               |               |               |               |               |               |              |               |               |               |               |                 |              |              |               |              |              |
| Amount Authorized  | \$149,232,243                | \$134,740,008         | \$108,876,423  | \$26,451,195                  | \$140,000,000              | \$140,000,000                |                    |                              |                      |                             |         |         |                   |               |               |               |               |               |               |              |               |               |               |               |                 |              |              |               |              |              |
| Amount Issued  | \$95,790,455                 | \$108,648,414         | \$113,974,282  | \$57,769,210                  | \$140,000,000              | \$140,000,000                |                    |                              |                      |                             |         |         |                   |               |               |               |               |               |               |              |               |               |               |               |                 |              |              |               |              |              |
| Amount Redeemed  | \$56,566,148                 | \$88,487,136          | \$118,211,637  | \$52,888,580                  | \$90,000,000               | \$90,000,000                 |                    |                              |                      |                             |         |         |                   |               |               |               |               |               |               |              |               |               |               |               |                 |              |              |               |              |              |
|  |                              |                       |  |                               |                            |                              |                    |                              |                      |                             |         |         |                   |               |               |               |               |               |               |              |               |               |               |               |                 |              |              |               |              |              |
| FY 2021 EST. Amount Outstanding  | \$130,333,067                |                       | FY 2021 EST. Amount Authorized but Unissued  |                               | \$509,697,696              |                              |                    |                              |                      |                             |         |         |                   |               |               |               |               |               |               |              |               |               |               |               |                 |              |              |               |              |              |
| <b>HISTORICAL AND PROJECTED INFORMATION</b>  |                              |                       |  |                               |                            |                              |                    |                              |                      |                             |         |         |                   |               |               |               |               |               |               |              |               |               |               |               |                 |              |              |               |              |              |
| <table border="1" style="width:100%; border-collapse: collapse; margin-top: 10px;"> <caption>Historical and Projected Information Data</caption> <thead> <tr> <th>Category</th> <th>FY 2019</th> <th>FY 2020</th> <th>FY 2021</th> <th>FY 2022</th> <th>FY 2023</th> </tr> </thead> <tbody> <tr> <td>Amount Authorized</td> <td>\$149,232,243</td> <td>\$134,740,008</td> <td>\$108,876,423</td> <td>\$140,000,000</td> <td>\$140,000,000</td> </tr> <tr> <td>Amount Issued</td> <td>\$95,790,455</td> <td>\$108,648,414</td> <td>\$113,974,282</td> <td>\$140,000,000</td> <td>\$140,000,000</td> </tr> <tr> <td>Amount Redeemed</td> <td>\$56,566,148</td> <td>\$88,487,136</td> <td>\$118,211,637</td> <td>\$90,000,000</td> <td>\$90,000,000</td> </tr> </tbody> </table>  |                              |                       |  |                               |                            |                              | Category           | FY 2019                      | FY 2020              | FY 2021                     | FY 2022 | FY 2023 | Amount Authorized | \$149,232,243 | \$134,740,008 | \$108,876,423 | \$140,000,000 | \$140,000,000 | Amount Issued | \$95,790,455 | \$108,648,414 | \$113,974,282 | \$140,000,000 | \$140,000,000 | Amount Redeemed | \$56,566,148 | \$88,487,136 | \$118,211,637 | \$90,000,000 | \$90,000,000 |
| Category   | FY 2019                      | FY 2020               | FY 2021  | FY 2022                       | FY 2023                    |                              |                    |                              |                      |                             |         |         |                   |               |               |               |               |               |               |              |               |               |               |               |                 |              |              |               |              |              |
| Amount Authorized  | \$149,232,243                | \$134,740,008         | \$108,876,423  | \$140,000,000                 | \$140,000,000              |                              |                    |                              |                      |                             |         |         |                   |               |               |               |               |               |               |              |               |               |               |               |                 |              |              |               |              |              |
| Amount Issued  | \$95,790,455                 | \$108,648,414         | \$113,974,282  | \$140,000,000                 | \$140,000,000              |                              |                    |                              |                      |                             |         |         |                   |               |               |               |               |               |               |              |               |               |               |               |                 |              |              |               |              |              |
| Amount Redeemed  | \$56,566,148                 | \$88,487,136          | \$118,211,637  | \$90,000,000                  | \$90,000,000               |                              |                    |                              |                      |                             |         |         |                   |               |               |               |               |               |               |              |               |               |               |               |                 |              |              |               |              |              |
| <b>Comments on Historical and Projected Information:</b> Projected information is based on trends in authorizations from SB590 decrease in total cap. Current amount of possible issuances exceeds \$120M. Redemptions are based on 3 year average.  |                              |                       |  |                               |                            |                              |                    |                              |                      |                             |         |         |                   |               |               |               |               |               |               |              |               |               |               |               |                 |              |              |               |              |              |

| Program Name: Historic Preservation (HST)   |                       |  |  |             |                       |         |     |         |     |         |     |         |     |
|---|-----------------------|--|--|-------------|-----------------------|---------|-----|---------|-----|---------|-----|---------|-----|
| BENEFIT: COST ANALYSIS (includes only state revenue impacts)  |                       |  |  |             |                       |         |     |         |     |         |     |         |     |
|   | FY 2021<br>ACTIVITY   | Other Fiscal Period<br>(10 years)                                | Derivation of Benefits:<br>Investment: (a) \$130,417,632 in Residential Investment spending over years 2021-2025. (b) \$305,088,060 in Non-Residential Investment spending over years 2021-2025.<br>Employment: (a) 2,462 jobs in various industries in locally competitive markets at average wage rates over years 2026-2030.<br>Other Assumptions: (a) N/A<br>Incentives/Credits: (a) \$108,876,423 in Historic Preservation tax credits over years 2021-2025.<br>Impacts occur Statewide. All Values in Constant Dollars. Assumptions provided by DED. Estimated using REMI.<br>The multi-year fiscal Benefit-Cost Ratio is 0.48 when other program incentives (NPA) are included. |             |                       |         |     |         |     |         |     |         |     |
| BENEFITS  |                       |  |  |             |                       |         |     |         |     |         |     |         |     |
| Direct Fiscal Benefits  | \$145,948             | \$2,811,653  |  |             |                       |         |     |         |     |         |     |         |     |
| Indirect Fiscal Benefits  | \$2,478,645           | \$47,750,408   |  |             |                       |         |     |         |     |         |     |         |     |
| Total   | \$2,624,593           | \$50,562,061   |  |             |                       |         |     |         |     |         |     |         |     |
| COSTS   |                       |  |  |             |                       |         |     |         |     |         |     |         |     |
| Direct Fiscal Costs   | \$21,775,285          | \$104,720,469  |  |             |                       |         |     |         |     |         |     |         |     |
| Indirect Fiscal Costs   | \$0                   | \$0  |  |             |                       |         |     |         |     |         |     |         |     |
| Total   | \$21,775,285          | \$104,720,469  |  |             |                       |         |     |         |     |         |     |         |     |
| BENEFIT: COST   | 0.12                  | 0.48   |  |             |                       |         |     |         |     |         |     |         |     |
| Other Benefits:   |                       |  |  |             |                       |         |     |         |     |         |     |         |     |
| In FY-2021, every dollar of auth. program tax credits returns   |                       | Over 10 YEARS, every dollar of auth. program tax credits returns |  |             |                       |         |     |         |     |         |     |         |     |
| \$2.81 in new personal income totaling \$61.13 million  |                       | \$17.45 in new personal income totaling \$1,827.24 million       |  |             |                       |         |     |         |     |         |     |         |     |
| \$4.35 in new value-added/GSP totaling \$94.74 million  |                       | \$30.36 in new value-added/GSP totaling \$3,179.22 million       |  |             |                       |         |     |         |     |         |     |         |     |
| \$7.68 in new economic output totaling \$167.34 million   |                       | \$50.25 in new economic output totaling \$5,262.02 million       |  |             |                       |         |     |         |     |         |     |         |     |
| PERFORMANCE MEASURES  |                       |  |  |             |                       |         |     |         |     |         |     |         |     |
| <div>Jobs Created</div> <div><table><thead><tr><th>Fiscal Year</th><th>Jobs Created (Actual)</th></tr></thead><tbody><tr><td>FY 2018</td><td>407</td></tr><tr><td>FY 2019</td><td>971</td></tr><tr><td>FY 2020</td><td>882</td></tr><tr><td>FY 2021</td><td>908</td></tr></tbody></table></div> |                       |  |  | Fiscal Year | Jobs Created (Actual) | FY 2018 | 407 | FY 2019 | 971 | FY 2020 | 882 | FY 2021 | 908 |
| Fiscal Year   | Jobs Created (Actual) |  |  |             |                       |         |     |         |     |         |     |         |     |
| FY 2018   | 407                   |  |  |             |                       |         |     |         |     |         |     |         |     |
| FY 2019   | 971                   |  |  |             |                       |         |     |         |     |         |     |         |     |
| FY 2020   | 882                   |  |  |             |                       |         |     |         |     |         |     |         |     |
| FY 2021   | 908                   |  |  |             |                       |         |     |         |     |         |     |         |     |
| Comments on Performance Measure: Numbers are captured from projects that were closed out this fiscal year.  |                       |  |  |             |                       |         |     |         |     |         |     |         |     |

**Program Name:** Historic Preservation (HST)



**Comments on Performance Measure:** Numbers are captured from projects that were closed out this fiscal year.



**Comments on Performance Measure:** Numbers are captured from projects that were closed out this fiscal year.



## NEIGHBORHOOD PRESERVATION ACT

To provide an incentive for the rehabilitation or construction of owner-occupied homes in certain areas of the state.

### AUTHORIZATION

Sections 135.475 to 135.487, RSMo

### ELIGIBLE AREAS

"Qualifying Areas" include "distressed communities," as defined in 135.530, RSMo, and areas with a median household income of less than 70% of the median household income for the applicable MSA or non-MSA.

"Eligible Areas" with a median household income of 70% to 89% of the median household income for the applicable MSA or non-MSA.

### ELIGIBLE APPLICANTS

Any taxpayer who incurs eligible costs for a new residence or rehabilitates a residence for owner occupancy that is located in a designated area.

### PROGRAM BENEFITS/ELIGIBLE USES

The Department of Economic Development (DED) issues state tax credits to a homeowner who rehabilitates a home or to a homeowner or developer that constructs a new home for owner-occupancy in certain areas of the state.

This tax credit can be applied to:

- Ch. 143 – Income tax, excluding withholding tax
- Ch. 147 – Corporate franchise tax
- Ch. 148 –
  - Bank Tax
  - Insurance Premium Tax
  - Other Financial Institution Tax

This credit's special attributes:

- Carry back 3 years
- Carry forward 5 years
- Sellable or transferable

### FUNDING LIMITS

The maximum credits available are \$8 million for Qualifying Areas and \$8 million for Eligible Areas.

The credits for a project are determined as follows:

- New Residences in Eligible Areas – 15% of eligible costs, tax credits cannot exceed \$25,000 per residence;
- New Residences in Qualifying Areas – 15% of eligible costs, tax credits cannot exceed \$40,000 per residence;
- Substantial Rehabilitation in Eligible Areas – 25% of eligible costs, minimum costs \$10,000, tax credits cannot exceed \$25,000 per residence;
- Substantial Rehabilitation in Qualifying Areas – 35% of eligible costs, minimum costs the greater of \$5,000 or 50% of the purchase price, tax credit cannot exceed \$70,000 per residence.
- Non-substantial Rehabilitation in Qualifying Areas – 25% of eligible costs, minimum costs \$5,000, tax credits cannot exceed \$25,000 per residence.

### APPLICATION/APPROVAL PROCEDURE

A pre-application is submitted to DED that includes cost estimates and scope of work. Applications will be accepted during an application cycle starting in January and ending in mid-February. The applications are granted preliminary approval based on a lottery process.

### REPORTING REQUIREMENTS

The "Tax Credit Accountability Act" reporting form must be submitted to DED by June 30 each year for three years following the year of the first issuance of tax credits.

### SPECIAL PROGRAM REQUIREMENTS

Tax credits may not be claimed in addition to any other state tax credits, with the exception of the Historic Preservation tax credit authorized by sections 253.545 to 253.559, RSMo. If Historic Preservation tax credits are claimed, the maximum available credits under this program will be the lesser of 20% of the eligible costs or \$40,000.

### CONTACT

Missouri Department of Economic Development

Division of Business and Community Solutions

301 West High Street, Room 770 • P.O. Box 118

Jefferson City, MO • 65102

Phone: 573-522-8004 • Fax: 573-522-9462

E-mail: [reddevelopment@ded.mo.gov](mailto:reddevelopment@ded.mo.gov) • Web: [www.ded.mo.gov](http://www.ded.mo.gov)

## TAX CREDIT ANALYSIS

|   |   |                           |
|---|---|---------------------------|
| <b>Program Name:</b> Neighborhood Preservation Tax Credit (NPA) |   |                           |
| <b>Department:</b> Economic Development                         | <b>Contact Name &amp; No.:</b> Mark Pauley (573) 522-8006   | <b>Date:</b> January 2022 |
| <b>Program Category:</b> Housing                                | <b>Type:</b> Tax Credit <input checked="" type="checkbox"/> Other (specify) _____   |                           |
| <b>Statutory Authority:</b> Sections 135.475-135.487, RSMo      | <b>Applicable Taxes:</b> Income Tax; Corporate Franchise Tax; Bank Tax; Insurance Premium Tax; Other financial institutions tax |                           |

**Date of Origin:** 1999

**Program Description and Eligibility Requirements:**

Provide an incentive for homeowners in certain lower income areas to rehabilitate their home, or incentive for "in-fill" new construction of owner-occupied housing. Geographic eligibility restrictions; age of home restrictions; must be residence intended for owner-occupancy.

**Explanation of How Award is Computed:** Entitlement ☐ Yes ☐ Discretionary ☐ No

Tax Credit of 25% - 35% of eligible renovation costs, or 15% of new construction. This is a calendar year program.

**Program Cap:** Cumulative \$ \_\_\_\_\_ (remainder of cumulative cap) \$ \_\_\_\_\_ Annual \$16 million None \_\_\_\_\_

**Explanation of cap:**

\$8M for eligible areas; \$8M for qualifying areas (as defined by law). Credits are awarded on a first-come first-served basis by utilizing a lottery system.

**Explanation of Expiration of Authority:**

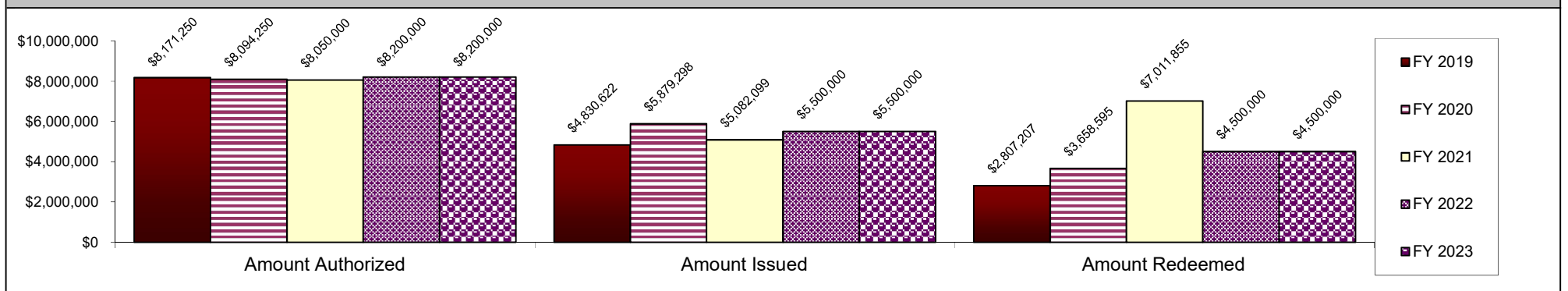
**Specific Provisions:** (if applicable)

Carry forward  Carry Back  Refundable  Sellable/Assignable  Additional Federal Deductions Available

**Comments on Specific Provisions:**

|                                 | FY 2019 ACTUAL | FY 2020 ACTUAL | FY 2021 ACTUAL                              | FY 2022 (year to date) | FY 2022 (Full Year) | FY 2023 (Budget Year) |
|---------------------------------|----------------|----------------|---|------------------------|---------------------|-----------------------|
| Certificates Issued (#)         | 122            | 95             | 119   | 54                     | 110                 | 110                   |
| Projects/Participants (#)       | 122            | 95             | 119   | 54                     | 110                 | 110                   |
| Amount Authorized               | \$8,171,250    | \$8,094,250    | \$8,050,000                                 | \$0                    | \$8,200,000         | \$8,200,000           |
| Amount Issued                   | \$4,830,622    | \$5,879,298    | \$5,082,099                                 | \$2,014,224            | \$5,500,000         | \$5,500,000           |
| Amount Redeemed                 | \$2,807,207    | \$3,658,595    | \$7,011,855                                 | \$2,286,862            | \$4,500,000         | \$4,500,000           |
|                                 |                |                |   |                        |                     |                       |
| FY 2022 EST. Amount Outstanding | \$2,445,661    |                | FY 2021 EST. Amount Authorized but Unissued |                        | \$73,094,030        |                       |

### HISTORICAL AND PROJECTED INFORMATION



**Comments on Historical and Projected Information:** Projected information for Authorized, Issued, and Redeemed amounts is based on 3 year average.

## TAX CREDIT ANALYSIS

**Program Name:** Neighborhood Preservation Tax Credit (NPA)

### BENEFIT: COST ANALYSIS (includes only state revenue impacts)

|                          | FY 2021<br>ACTIVITY | Other Fiscal Period<br>(5 years) | <b>Derivation of Benefits:</b><br>Investment: (a) \$41,266,304 in Residential Investment spending over years 2021-2022.<br>Employment: N/A<br>Other Assumptions: N/A<br>Incentives/Credits: (a) \$8,050,000 in Neighborhood Preservation Act tax credits in 2021.<br>Impacts occur Statewide. All Values in Constant Dollars. Assumptions provided by DED. Estimated using REMI.<br>The multi-year fiscal Benefit-Cost Ratio is 0.17 when other program incentives (Historic Preservation) are included. |
|--------------------------|---------------------|----------------------------------|--|
| <b>BENEFITS</b>          |                     |                                  |  |
| Direct Fiscal Benefits   | \$727,134           | \$1,343,782                      |  |
| Indirect Fiscal Benefits | \$136,497           | \$252,254                        |  |
| <b>Total</b>             | <b>\$863,631</b>    | <b>\$1,596,035</b>               |  |
| <b>COSTS</b>             |                     |                                  |  |
| Direct Fiscal Costs      | \$8,050,000         | \$8,050,000                      |  |
| Indirect Fiscal Costs    | \$0                 | \$0                              |  |
| <b>Total</b>             | <b>\$8,050,000</b>  | <b>\$8,050,000</b>               |  |
| <b>BENEFIT: COST</b>     | <b>0.11</b>         | <b>0.20</b>                      |  |

**Other Benefits:**

**In FY-2021, every dollar of auth. program tax credits returns**

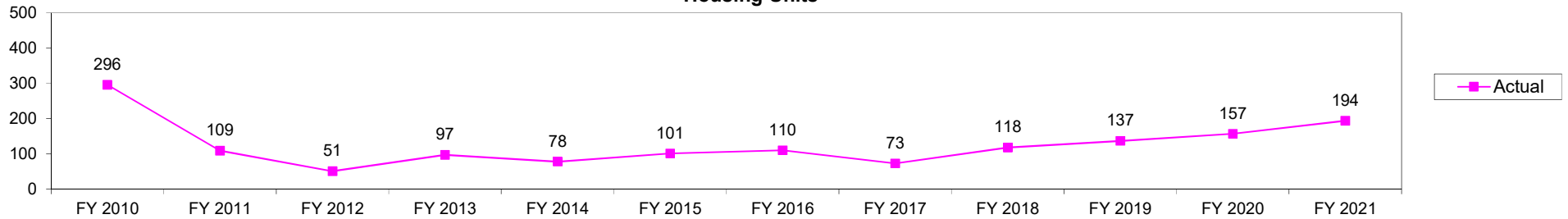
\$1.63 in new personal income totaling \$13.16 million  
 \$2.58 in new value-added/GSP totalir \$20.78 million  
 \$4.43 in new economic output totaling \$35.69 million

**Over 5 YEARS, every dollar of auth. program tax credits returns**

\$2.35 in new personal income totaling \$18.93 million  
 \$2.90 in new value-added/GSP totalir \$23.32 million  
 \$4.96 in new economic output totaling \$39.90 million

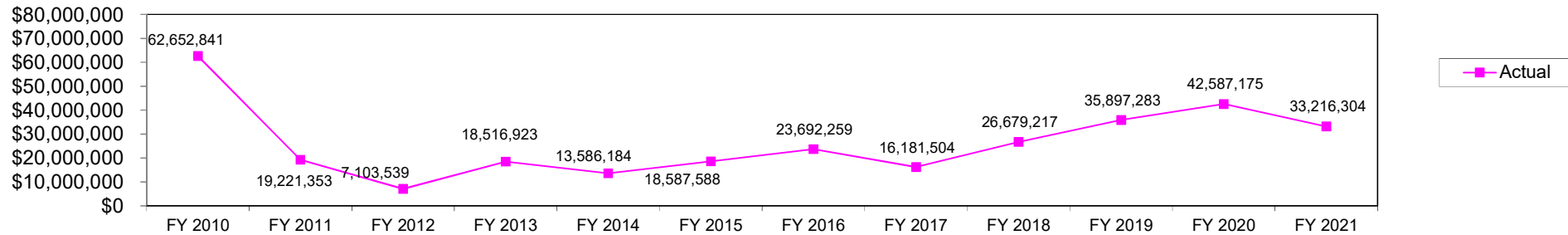
### PERFORMANCE MEASURES

#### Housing Units



**Comments on Performance Measure:** Numbers are captured from projects that were closed out this fiscal year.

#### Amount Leveraged



**Comments on Performance Measure:** Numbers are captured from projects that were closed out this fiscal year.



## BUSINESS FACILITY HEADQUARTERS TAX CREDIT PROGRAM

Provide tax incentives to facilitate the expansion of new or existing businesses in Missouri.

### AUTHORIZATION

Sections 135.100 to 135.150, 135.258, RSMo

"Headquarters" that commence operations and "headquarters" of certain "employee-owned" businesses that commence or expand operations on or before December 31, 2024 may be eligible for the program.

### ELIGIBLE AREAS

Statewide

### ELIGIBLE APPLICANTS

Facility eligibility is determined by primary Standard Industrial Classification (SIC) or North American Industrial Classification System (NAICS) code. Eligible facility enterprises include: engineering firms classified as SIC 8711, architectural firms classified as SIC 8712, or accounting firms classified as SIC 8721.

Additional eligibility requirements:

- The facility must maintain an average of at least 500 new business facility employees
- The facility must create at least 25 new jobs and make \$1,000,000 in new investment as compared to the base year, and maintain an average of at least \$20,000,000 in business facility investment.

### PROGRAM BENEFITS/ELIGIBLE USES

Tax credits are provided to the business based on the number of new jobs created and new investment at the qualifying facility. The credits are provided each year for up to ten years after the project commences operations.

This tax credit can be applied to: Ch. 143 – Income tax, excluding withholding tax; Ch. 148 – Insurance Premium Tax; and Sec. 375.916 – Insurance Co. Retaliatory Tax

The credit is sellable and transferrable.

### FUNDING LIMITS

The Missouri company qualifying as a new "headquarters" facility may receive the greater of:

- \$400 for each new business facility employee and four percent of new business facility investment; or,
- \$500 for each new business facility employee and \$500 of each \$100,000 of new business facility investment.

The investment credit are based on the original cost of machinery, equipment, furniture, fixtures, land and building, software, hardware, and/or eight times the annual rental or license rate paid for the same. Inventory is not eligible.

### APPLICATION PROCEDURE/APPROVAL

The business must submit a form letter of intent (pre-application) to the Department of Economic Development (DED) at least 15 days prior to the commencement of facility operations. Failure to meet this requirement precludes participation in the program for the base year sought.

The business must file an application for tax credits for its first year of operations by the end of the tax year immediately following the tax year during which operations were commenced. Failure to timely file the application for credits for the first year of operations will result in a denial of the application and precludes participation in the program for the base year sought.

### ADDITIONAL RESOURCES

Guidelines, forms, and additional information for this and other economic development programs can be found at [www.ded.mo.gov](http://www.ded.mo.gov)

### CONTACT

**Missouri Department of Economic Development**  
Division of Business and Community Solutions  
301 West High Street, Room 770 • P.O. Box 118  
Jefferson City, MO • 65102  
Phone: 573-522-8004 • Fax: 573-522-9462  
E-mail: [reddevelopment@ded.mo.gov](mailto:reddevelopment@ded.mo.gov)  
Web: [www.ded.mo.gov](http://www.ded.mo.gov)

## TAX CREDIT ANALYSIS

| <b>Program Name:</b> New and Expanded Business Facility Credit (BFC)   |                       |   |   |   |                            |                              |          |         |         |         |         |         |                   |             |     |              |              |              |               |             |     |              |              |              |                 |             |             |              |              |              |
|--|-----------------------|---|---|---|----------------------------|------------------------------|----------|---------|---------|---------|---------|---------|-------------------|-------------|-----|--------------|--------------|--------------|---------------|-------------|-----|--------------|--------------|--------------|-----------------|-------------|-------------|--------------|--------------|--------------|
| <b>Department:</b> Economic Development  |                       | <b>Contact Name &amp; No.:</b> Kristen Riggs (573) 751-3713   |   |   |                            |                              |          |         |         |         |         |         |                   |             |     |              |              |              |               |             |     |              |              |              |                 |             |             |              |              |              |
| <b>Program Category:</b> Business Recruitment  |                       | <b>Type:</b> Tax Credit <input checked="" type="checkbox"/> Other (specify) _____                       |   |   |                            |                              |          |         |         |         |         |         |                   |             |     |              |              |              |               |             |     |              |              |              |                 |             |             |              |              |              |
| <b>Statutory Authority:</b> Sections 135.100-135.258, RSMo   |                       | <b>Applicable Taxes:</b> Income Tax; Bank Tax; Insurance Premium Tax; Insurance Company Retaliatory Tax |   |   |                            |                              |          |         |         |         |         |         |                   |             |     |              |              |              |               |             |     |              |              |              |                 |             |             |              |              |              |
| <b>Date of Origin:</b> 1980  |                       |   |   |   |                            |                              |          |         |         |         |         |         |                   |             |     |              |              |              |               |             |     |              |              |              |                 |             |             |              |              |              |
| <b>Program Description and Eligibility Requirements:</b><br>Program has sunset as of January 1, 2005, except that headquarters that commence operations before January 1, 2020 may be eligible for the program. Tax credits given to eligible applicants who establish new facilities or expand existing ones. At least two new jobs must be created or maintained and at least \$100,000 of new investment.   |                       |   |   |   |                            |                              |          |         |         |         |         |         |                   |             |     |              |              |              |               |             |     |              |              |              |                 |             |             |              |              |              |
| <b>Explanation of How Award is Computed:</b>   |                       | <b>Entitlement</b> <input type="checkbox"/> Yes <input type="checkbox"/> No                             | <b>Discretionary</b> <input type="checkbox"/> Yes <input type="checkbox"/> No |   |                            |                              |          |         |         |         |         |         |                   |             |     |              |              |              |               |             |     |              |              |              |                 |             |             |              |              |              |
| The tax credit is equal to \$75 to \$150 per new job and per \$100,000 of new investment each year for 10 years.   |                       |   |   |   |                            |                              |          |         |         |         |         |         |                   |             |     |              |              |              |               |             |     |              |              |              |                 |             |             |              |              |              |
| <b>Program Cap:</b> Cumulative \$ _____ (remainder of cumulative cap) \$ _____ Annual \$ _____ None <input checked="" type="checkbox"/> X _____<br><b>Explanation of cap:</b> N/A  |                       |   |   |   |                            |                              |          |         |         |         |         |         |                   |             |     |              |              |              |               |             |     |              |              |              |                 |             |             |              |              |              |
| <b>Explanation of Expiration of Authority:</b> No revenue-producing enterprise shall receive the incentives set forth in sections 135.100 to 135.150 for facilities commencing operations on or after January 1, 2005. SB 1155 (2004). Headquarters may receive incentives for facilities commencing operations on or after January 1, 2005 but not on or after January 1, 2020.   |                       |   |   |   |                            |                              |          |         |         |         |         |         |                   |             |     |              |              |              |               |             |     |              |              |              |                 |             |             |              |              |              |
| <b>Specific Provisions:</b> (if applicable)<br>Carry forward <input type="text" value="5 years"/> Carry Back <input type="text" value="n/a"/> Refundable <input type="text" value="Yes"/> Sellable/Assignable <input type="text" value="Yes"/> Additional Federal Deductions Available <input type="text" value="No"/>   |                       |   |   |   |                            |                              |          |         |         |         |         |         |                   |             |     |              |              |              |               |             |     |              |              |              |                 |             |             |              |              |              |
| <b>Comments on Specific Provisions:</b><br>Carry forward, Refundable and Sellable/Assignable provisions are limited in application.  |                       |   |   |   |                            |                              |          |         |         |         |         |         |                   |             |     |              |              |              |               |             |     |              |              |              |                 |             |             |              |              |              |
|  | <b>FY 2019 ACTUAL</b> | <b>FY 2020 ACTUAL</b>   | <b>FY 2021 ACTUAL</b>   | <b>FY 2022 (year to date)</b>               | <b>FY 2022 (Full Year)</b> | <b>FY 2023 (Budget Year)</b> |          |         |         |         |         |         |                   |             |     |              |              |              |               |             |     |              |              |              |                 |             |             |              |              |              |
| Certificates Issued (#)  | 8                     | 0   | 19  | 0   | 9                          | 9                            |          |         |         |         |         |         |                   |             |     |              |              |              |               |             |     |              |              |              |                 |             |             |              |              |              |
| Projects/Participants (#)  | 8                     | 0   | 9   | 0   | 9                          | 9                            |          |         |         |         |         |         |                   |             |     |              |              |              |               |             |     |              |              |              |                 |             |             |              |              |              |
| Amount Authorized  | \$9,213,825           | \$0   | \$24,959,370  | \$0   | \$13,500,000               | \$12,200,000                 |          |         |         |         |         |         |                   |             |     |              |              |              |               |             |     |              |              |              |                 |             |             |              |              |              |
| Amount Issued  | \$9,213,825           | \$0   | \$24,959,370  | \$0   | \$13,500,000               | \$12,200,000                 |          |         |         |         |         |         |                   |             |     |              |              |              |               |             |     |              |              |              |                 |             |             |              |              |              |
| Amount Redeemed  | \$8,217,556           | \$7,555,278   | \$12,345,744  | \$14,173,509                                | \$12,000,000               | \$10,900,000                 |          |         |         |         |         |         |                   |             |     |              |              |              |               |             |     |              |              |              |                 |             |             |              |              |              |
| FY 2022 EST. Amount Outstanding  |                       | \$0   |   | FY 2022 EST. Amount Authorized but Unissued |                            | \$0                          |          |         |         |         |         |         |                   |             |     |              |              |              |               |             |     |              |              |              |                 |             |             |              |              |              |
| <b>HISTORICAL AND PROJECTED INFORMATION</b>  |                       |   |   |   |                            |                              |          |         |         |         |         |         |                   |             |     |              |              |              |               |             |     |              |              |              |                 |             |             |              |              |              |
| <table border="1" style="margin-top: 10px; width: 100%; border-collapse: collapse;"> <caption>Historical and Projected Information Data</caption> <thead> <tr> <th>Category</th> <th>FY 2019</th> <th>FY 2020</th> <th>FY 2021</th> <th>FY 2022</th> <th>FY 2023</th> </tr> </thead> <tbody> <tr> <td>Amount Authorized</td> <td>\$9,213,825</td> <td>\$0</td> <td>\$24,959,370</td> <td>\$13,500,000</td> <td>\$12,200,000</td> </tr> <tr> <td>Amount Issued</td> <td>\$9,213,825</td> <td>\$0</td> <td>\$24,959,370</td> <td>\$13,500,000</td> <td>\$12,200,000</td> </tr> <tr> <td>Amount Redeemed</td> <td>\$8,217,556</td> <td>\$7,555,278</td> <td>\$12,345,744</td> <td>\$12,000,000</td> <td>\$10,900,000</td> </tr> </tbody> </table> |                       |   |   |   |                            |                              | Category | FY 2019 | FY 2020 | FY 2021 | FY 2022 | FY 2023 | Amount Authorized | \$9,213,825 | \$0 | \$24,959,370 | \$13,500,000 | \$12,200,000 | Amount Issued | \$9,213,825 | \$0 | \$24,959,370 | \$13,500,000 | \$12,200,000 | Amount Redeemed | \$8,217,556 | \$7,555,278 | \$12,345,744 | \$12,000,000 | \$10,900,000 |
| Category   | FY 2019               | FY 2020   | FY 2021   | FY 2022                                     | FY 2023                    |                              |          |         |         |         |         |         |                   |             |     |              |              |              |               |             |     |              |              |              |                 |             |             |              |              |              |
| Amount Authorized  | \$9,213,825           | \$0   | \$24,959,370  | \$13,500,000                                | \$12,200,000               |                              |          |         |         |         |         |         |                   |             |     |              |              |              |               |             |     |              |              |              |                 |             |             |              |              |              |
| Amount Issued  | \$9,213,825           | \$0   | \$24,959,370  | \$13,500,000                                | \$12,200,000               |                              |          |         |         |         |         |         |                   |             |     |              |              |              |               |             |     |              |              |              |                 |             |             |              |              |              |
| Amount Redeemed  | \$8,217,556           | \$7,555,278   | \$12,345,744  | \$12,000,000                                | \$10,900,000               |                              |          |         |         |         |         |         |                   |             |     |              |              |              |               |             |     |              |              |              |                 |             |             |              |              |              |
| <b>Comments on Historical and Projected Information:</b> FY2020 projects auth/issuances delayed due to COVID pandemic; FY2021 reflects FY2020 and FY2021 (for CY2019 & 2020 investment and jobs) authorizations and issuances. FY2022 and FY2023 projections based on NOI currently received by organization, but could change should additional NOI's be received.  |                       |   |   |   |                            |                              |          |         |         |         |         |         |                   |             |     |              |              |              |               |             |     |              |              |              |                 |             |             |              |              |              |

## TAX CREDIT ANALYSIS

**Program Name:** New and Expanded Business Facility Credit (BFC)

### BENEFIT: COST ANALYSIS (includes only state revenue impacts)

|                          | FY 2021<br>ACTIVITY | Other Fiscal Period<br>(20 years) | <b>Derivation of Benefits:</b><br>Investment: (a) \$184,083,902 in Non-Residential Investment spending over years 2011-2018.<br>Employment: (a) 1,264 jobs scaled up over eight years in Professional, Scientific, and Technical Services at average wage rates over years 2011-2030.<br>Other Assumptions: N/A<br>Incentives/Credits: (a) \$139,485,763 in Business Facility tax credits over years 2011-2028 to model full cost of BFC projects where activity has occurred.<br>Impacts occur Statewide. All Values in Constant Dollars. Assumptions provided by DED. Estimated using REMI.<br>The multi-year fiscal Benefit-Cost Ratio is 0.56 when other program incentives (Missouri Works) are included. |
|--------------------------|---------------------|-----------------------------------|--|
| <b>BENEFITS</b>          |                     |                                   |  |
| Direct Fiscal Benefits   | \$1,911,147         | \$30,751,819                      |  |
| Indirect Fiscal Benefits | \$1,919,186         | \$30,881,170                      |  |
| <b>Total</b>             | \$3,830,333         | \$61,632,989                      |  |
| <b>COSTS</b>             |                     |                                   |  |
| Direct Fiscal Costs      | \$455,569           | \$101,823,139                     |  |
| Indirect Fiscal Costs    | \$0                 | \$0                               |  |
| <b>Total</b>             | \$455,569           | \$101,823,139                     |  |
| <b>BENEFIT: COST</b>     | <b>8.41</b>         | <b>0.61</b>                       |  |

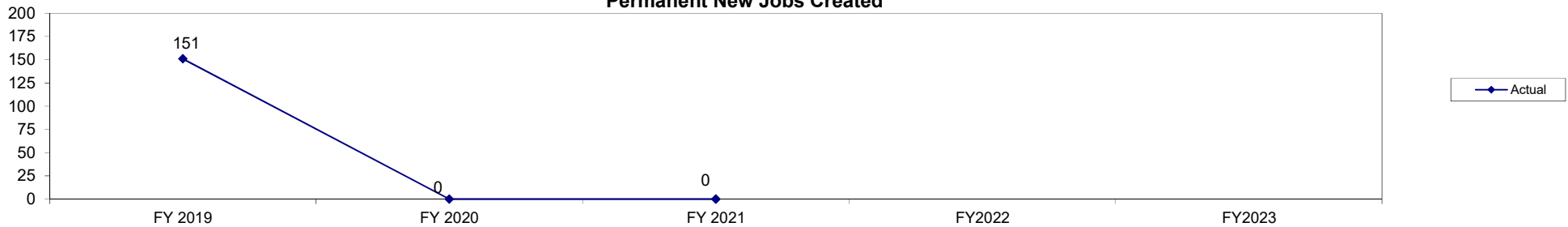
**Other Benefits:**

**Over 20 YEARS, every dollar of auth. program tax credits returns**

|  |                  |   |                    |
|--|------------------|---|--------------------|
| \$144.96 in new personal income totaling | \$66.04 million  | \$36.18 in new personal income totaling | \$4,141.94 million |
| \$223.47 in new value-added/GSP totaling | \$101.81 million | \$45.79 in new value-added/GSP totaling | \$5,242.12 million |
| \$391.12 in new economic output totaling | \$178.18 million | \$70.31 in new economic output totaling | \$8,049.04 million |

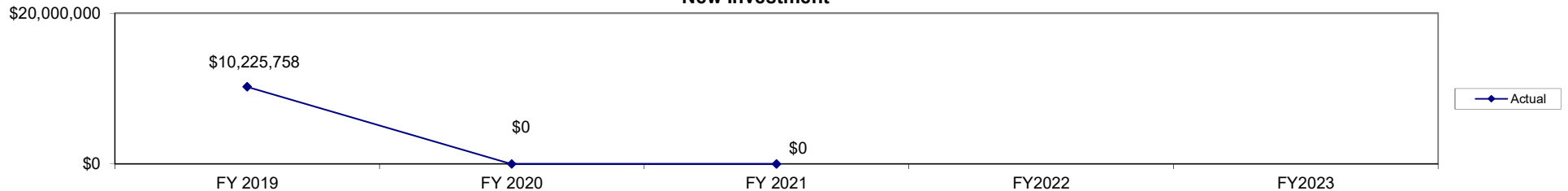
### PERFORMANCE MEASURE(S)

#### Permanent New Jobs Created



**Comments on Performance Measure:** Benefits are based on the number of new jobs above the base. For the purposes of reporting, the number that is indicated here is net new year to year, so that there is no double counting of new jobs. For the projects for which credits were issued, the jobs were not net new for this fiscal year but did have new jobs over the base. The job numbers that were created in FY2020 will be reflected in FY2021 due to the timing of authorization and issuance of credits.

#### New Investment



**Comments on Performance Measure:** Benefits are based on the amount of investment above the base. For purposes of reporting, the amount that is indicated here is net new year to year, so that there is no double counting of new investment. The investment that was created in FY2020 will be reflected in FY2021 due to the timing of authorization and issuance of credits.



## ENHANCED ENTERPRISE ZONE TAX BENEFIT PROGRAM

### PURPOSE

Provide tax credits to new or expanding businesses in a Missouri Enhanced Enterprise Zone.

### AUTHORIZATION

Sections 135.950 to 135.973, RSMo

### ELIGIBLE AREAS

Enhanced Enterprise Zones are specified geographic areas designated by local governments and certified by the Department of Economic Development (DED). Zone designation is based on certain demographic criteria, the potential to create sustainable jobs in a targeted industry and a demonstrated impact on local industry cluster development. The Zone designation demographic criteria currently utilizes population and income data from the 2000 Census, U.S. Census Bureau. Unemployment information is updated annually using data from the U.S. Bureau of Labor Statistics.

### ELIGIBLE APPLICANTS

An eligible business must be located in a Missouri Enhanced Enterprise Zone (EEZ). Individual business eligibility will be determined by the zone, based on creation of sustainable jobs in a targeted industry or demonstrated impact on local industry cluster development. Service industries can be eligible if a majority of their annual revenues will be derived from services provided out of the state. Headquarters or administrative offices of an otherwise excluded business may qualify if the offices serve a multi-state territory. See application for complete information.

#### Ineligible Applicants:

Gambling establishments (NAICS group 7132),  
Retail trade (NAICS sectors 44 & 45),  
Educational services (NAICS sector 61),  
Religious organizations (NAICS group 8131),  
Public administrations (NAICS sector 92) and  
Food and drinking places (NAICS subsector 722) are prohibited by statute from receiving the state tax credits.

### ELIGIBILITY CRITERIA

The Enhanced Enterprise Zone program is a discretionary program offering state tax credits, accompanied by local real property tax abatement, to Enhanced Business Enterprises.

Tax credits may be provided each year for five tax years after the project commences operations.

To receive tax credits for any of the years, the facility must create and maintain the minimum:

- New or expanded business facility – 2 new employees and \$100,000 new investment;

- Replacement business facility – 2 new employees and \$1,000,000 new investment
- Company must offer health insurance at all times, of which at least 50% is paid by the employer, to all full time employees in Missouri.

Eligible investment expenditures include the original cost of machinery, equipment, furniture, fixtures, land and building, and/or eight times the annual rental rate paid for the same. Inventory is not eligible.

### PROGRAM BENEFITS/ELIGIBLE USES

This tax credit can be applied to Ch. 143 – Income tax, excluding withholding tax.

Tax credits can only be applied to tax liability for the year in which they were earned. The tax credits are refundable or may be transferred, sold or assigned. The sale price cannot be less than 75% of the par value of such tax credits.

### FUNDING LIMITS

Tax credits will be an amount authorized by DED, based on the state economic benefit, supported by the number of new jobs, wages and new capital investment that the project will create. Tax credits issued under this program are limited to \$24,000,000 annually, effective August 28, 2008.

### APPLICATION/APPROVAL PROCEDURE

DED must first offer program benefits to the business in the form of a formal proposal. The company must return the accepted proposal within 90 days of the proposal date.

The company must submit the Notice of Intent (NOI), (Application & guidelines, pages 7-9), and be notified of approval before any new construction, and/or purchase of machinery and equipment can be eligible as new investment. NOIs will be accepted by DED at any time of the year and will be approved on an individual, case-by-case basis, based on compliance with all program criteria.

### REPORTING REQUIREMENTS

#### Annual Application for Tax Credits –

The facility must file the Annual Application for Tax Credits and supporting documents each year for calculation of the facility's state tax benefits. See page 10 of the application for a list of requirements. The deadline for submitting the Annual Application for Tax Credits is during the tax period immediately after the tax period for which the credits are being requested.

#### SB 1099 Reporting –

The "Tax Credit Accountability Act" reporting form must be returned for this program to DOR by June 30 of each

year. Contact (573) 526-8733 (Personal Tax) or (573) 751-4541 (Corporate Tax) with any questions.

## **SPECIAL PROGRAM REQUIREMENTS**

Applicants must be eligible for and receive at least ten years' local property tax abatement at 50% pursuant to the local enhanced enterprise zone plan.

Projects relocating employees from one Missouri location to another Missouri location must obtain the endorsement of the governing body of the community from which the jobs are being relocated and include this endorsement with the Notice of Intent.

A business cannot earn tax credits under this program if earning Enterprise Zone, Business Facility, Quality Jobs, Rebuilding Communities or Brownfield Jobs and Investment tax credits for the same project for the same tax period.

## **CONTACT**

### **Missouri Department of Economic Development**

Division of Business and Community Services

Business and Community Finance Team

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Jefferson City • MO • 65102

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## TAX CREDIT ANALYSIS

|   |  |   |  |  |  |                           |
|---|--|---|--|--|--|---------------------------|
| <b>Program Name:</b> Enhanced Enterprise Zone (EEZ)   |  |   |  |  |  |                           |
| <b>Department:</b> Economic Development   |  | <b>Contact Name &amp; No.:</b> Kristen Riggs (573) 751-3713 |  |  |  | <b>Date:</b> January 2022 |
| <b>Program Category:</b> Business Recruitment   |  |   | <b>Type:</b> Tax Credit <u>X</u> Other (specify) _____ |  |  |                           |
| <b>Statutory Authority:</b> Sections 135.950-135.973, RSMo  |  |   | <b>Applicable Taxes:</b> Income Tax                    |  |  |                           |
| <b>Date of Origin:</b> 2004   |  |   |  |  |  |                           |
| <b>Program Description and Eligibility Requirements:</b><br>Tax credits to new or expanding businesses in enhanced enterprise zones. At least two new jobs must be created or maintained and at least \$100,000 of new investment within the zone. Business eligibility determined by the zone based on creation of sustainable jobs in a targeted industry or demonstrated impact on local industry cluster development. Businesses also qualify for local abatement.  |  |   |  |  |  |                           |
| <b>Explanation of How Award is Computed:</b> <div style="display: flex; justify-content: space-between;"> <span><b>Entitlement</b> <input type="checkbox"/> No <input type="checkbox"/> Discretionary <input type="checkbox"/> Yes <input type="checkbox"/></span> </div> Tax credits shall be the lesser of a formula amount based on number of jobs created, number of employees who are residents of the zone, number of employees paid wages above the county average wage and amount of new capital investment OR an amount authorized by DED that is limited to the projected state economic benefit. The credits may be provided each year for up to ten tax years after the project commences operations. |  |   |  |  |  |                           |
| <b>Program Cap:</b> Cumulative \$ _____ (remainder of cumulative cap) \$ _____ Annual <u>\$24 million</u> None _____<br><b>Explanation of Cap:</b> Annual calendar year cap increased from \$4 million to \$7 million beginning January 1, 2007. Effective December 2007, the annual calendar year cap increased again from \$7 million to \$14 million. Effective August 28, 2008, the annual calendar year cap increased to \$24 million.   |  |   |  |  |  |                           |
| <b>Explanation of Expiration of Authority:</b> No new projects may be proposed after August 27, 2013.   |  |   |  |  |  |                           |
| <b>Specific Provisions:</b> (if applicable)<br>Carry forward <input type="text" value="n/a"/> Carry Back <input type="text" value="n/a"/> Refundable <input type="text" value="Yes"/> Sellable/Assignable <input type="text" value="Yes"/> Additional Federal Deductions Available <input type="text" value="No"/>  |  |   |  |  |  |                           |
| <b>Comments on Specific Provisions:</b>   |  |   |  |  |  |                           |

|  | FY 2019 ACTUAL | FY 2020 ACTUAL | FY 2021 ACTUAL | FY 2022 (year to date) | FY 2022 (Full Year) | FY 2023 (Budget Year) |
|--|----------------|----------------|----------------|------------------------|---------------------|-----------------------|
| Certificates Issued (#)  | 48             | 20             | 0              | 0                      | 0                   | 0                     |
| Projects/Participants (#)  | 0              | 0              | 0              | 0                      | 0                   | 0                     |
| Amount Authorized  | \$0            | \$0            | \$0            | \$0                    | \$0                 | \$0                   |
| Amount Issued  | \$6,126,939    | \$2,245,451    | \$1,818,205    | \$848,578              | \$500,000           | \$500,000             |
| Amount Redeemed  | \$4,928,628    | \$4,715,926    | \$1,150,670    | \$681,379              | \$1,482,617         | \$1,166,187           |
| FY 2022 EST. Amount Outstanding      \$2,389,457      FY 2022 EST. Amount Authorized but Unissued      \$2,659,223 |                |                |                |                        |                     |                       |

### HISTORICAL AND PROJECTED INFORMATION

| Category          | FY 2019     | FY 2020     | FY 2021     | FY 2022   | FY 2023     |
|-------------------|-------------|-------------|-------------|-----------|-------------|
| Amount Authorized | \$0         | \$0         | \$0         | \$0       | \$0         |
| Amount Issued     | \$6,126,939 | \$2,245,451 | \$1,818,205 | \$848,578 | \$500,000   |
| Amount Redeemed   | \$4,928,628 | \$4,715,926 | \$1,150,670 | \$681,379 | \$1,166,187 |

**Comments on Historical and Projected Information:**

## TAX CREDIT ANALYSIS

**Program Name:** Enhanced Enterprise Zone (EEZ)

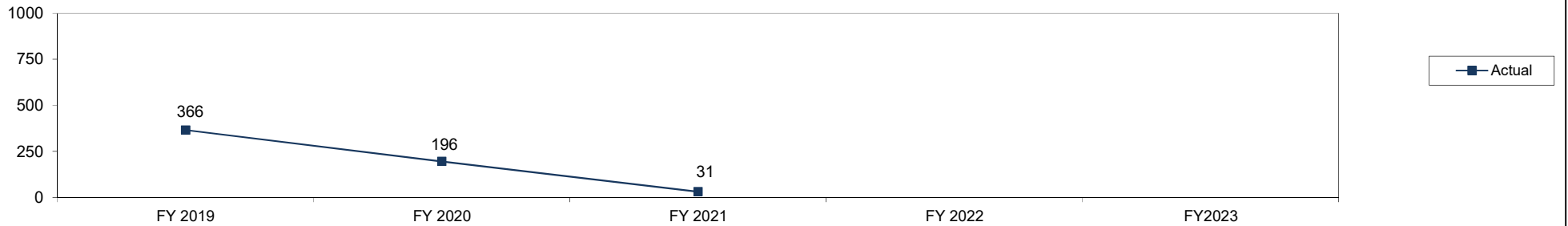
### BENEFIT: COST ANALYSIS (includes only state revenue impacts)

|                          | FY 2021<br>ACTIVITY | Other Fiscal Period<br>(indicated time period) | Derivation of Benefits:          |
|--------------------------|---------------------|--|----------------------------------|
| <b>BENEFITS</b>          |                     |  | No new authorizations in FY2021. |
| Direct Fiscal Benefits   |                     |  |                                  |
| Indirect Fiscal Benefits |                     |  |                                  |
| <b>Total</b>             | \$0                 | \$0  |                                  |
| <b>COSTS</b>             |                     |  |                                  |
| Direct Fiscal Costs      |                     |  |                                  |
| Indirect Fiscal Costs    |                     |  |                                  |
| <b>Total</b>             | \$0                 | \$0  |                                  |
| <b>BENEFIT: COST</b>     | <b>#DIV/0!</b>      | <b>#DIV/0!</b>                                 |                                  |

**Other Benefits:**

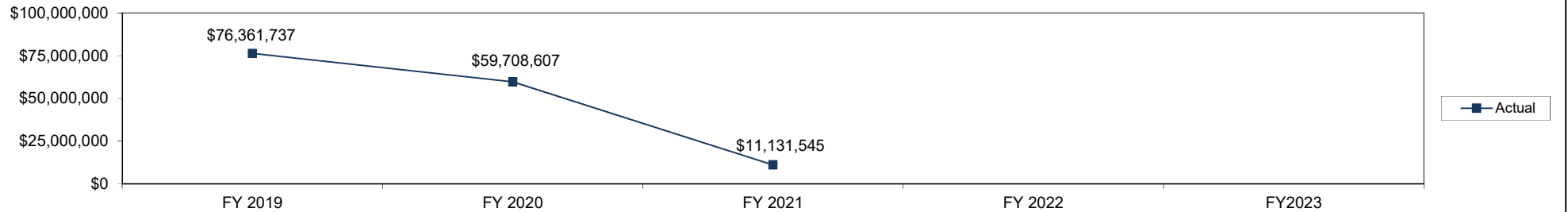
### PERFORMANCE MEASURE(S)

#### Permanent Net New Jobs Created Over Previous Year



**Comments on Performance Measure:** Program is winding down and there are fewer projects participating in the program.

#### Net New Investment Over Previous Year



**Comments on Performance Measure:** Program is winding down and there are fewer projects participating in the program.



# MISSOURI MANUFACTURING JOBS ACT

## PURPOSE

The Missouri Manufacturing Jobs Act will allow qualified automotive manufacturing facilities or suppliers that bring next-generation production lines to Missouri to retain withholding taxes typically remitted to the state.

## AUTHORIZATION

Section 620.1910, RSMo

## ELIGIBLE AREAS

Statewide.

## ELIGIBLE APPLICANTS

Qualified manufacturing companies with a NAICS code of 33611 that:

- (a) Manufacture goods at a facility in Missouri throughout the period in which the company receives benefits under the Act; and
- (b) Makes a capital investment of at least \$75,000 per retained job at the facility for the manufacture of a new product within two years of beginning to retain withholding taxes; or
- (c) Commits to make a capital investment of at least \$50,000 per retained job at the facility for the modification or expansion of the manufacture of an existing product within two years of beginning to retain withholding taxes.

Qualified suppliers that:

- (a) Attest to the Department of Economic Development (DED) that it derives more than 10% of its total annual sales revenue from sales to a qualified manufacturing company;
- (b) Adds five or more new jobs;
- (c) Pays wages for the new jobs that are equal to or exceeds the lower of the county average wage for Missouri as determined by the department using the NAICS industry classifications but are not less than 60% of the statewide average wage; and
- (d) Provides health insurance for all full-time jobs and pays at least 50% of the insurance premiums.

## PROGRAM BENEFITS/ELIGIBLE USES

Allows a qualified manufacturing company, beginning January 1, 2012, upon approval of a notice of intent by the department, to retain 100% of the withholding taxes from full-time jobs at the facility for 10 years if it manufactures a new product, or to retain 50% of withholding taxes from full-time jobs for seven years if it modifies or expands the manufacture of an existing product.

Allows a qualified supplier, upon approval of a notice of intent by the department, to retain 100% of the withholding taxes

from new jobs for three years. If the qualified supplier pays wages for the new jobs that are equal to or greater than 120% of the county average wage for Missouri as determined by the department using NAICS industry classifications, it can retain the withholding taxes for five years.

## FUNDING LIMITS

Limits the amount of retained withholding taxes authorized under the Act for any one qualified manufacturing company to \$10 million per year and limits the aggregate amount of retained withholding taxes authorized under the Act to \$15 million per year.

Specifies that if a qualified manufacturing company is utilizing withholding taxes from jobs at the facility for any other state program, the taxes will first be credited to the other state program before beginning to accrue under the provisions of the Act. The other state programs include, but are not limited to:

- (a) New Jobs Training Program (Sections 178.892 - 178.896);
- (b) Job Retention Program (Sections 178.760 - 178.764);
- (c) Real Property Tax Increment Allocation Redevelopment Act (Sections 99.800 - 99.865); or
- (d) Missouri Downtown and Rural Economic Stimulus Act (Sections 99.915 - 99.980).

## REPORTING REQUIREMENTS

On an annual basis, the business must submit a report documenting the retained jobs or new jobs created, the total payroll, and confirming that the business meets the health insurance requirements for the new jobs. In the event that a company has not maintained the minimum program requirements, benefits will cease for the remainder of the benefit period.

## SPECIAL PROGRAM REQUIREMENTS

Allows a qualified manufacturing company to remain eligible to participate in the Missouri Quality Jobs Program for any new jobs for which it does not retain withholding taxes, if it meets the qualifications for that program but prohibits a qualified manufacturing company from simultaneously receiving benefits from:

- (a) Business use incentives for large-scale developments (Sections 100.700 - 100.850, RSMo);
- (b) New or expanded business facilities (Sections 135.100 - 135.150);
- (c) Enterprise zones (Sections 135.200 - 135.286);
- (d) Relocation of a business to a distressed community (Section 135.535); or
- (e) Rural empowerment zones (Sections 135.900 - 135.906).

A qualified supplier is prohibited from simultaneously receiving benefits from:

- (a) Business use incentives for large-scale developments (Sections 100.700 - 100.850);
- (b) New or expanded business facilities (Sections 135.100 - 135.150);
- (c) Enterprise zones (Sections 135.200 - 135.286);
- (d) Relocation of a business to a distressed community (Section 135.535);
- (e) Rural empowerment zones (Sections 135.900 - 135.906);
- (f) Enhanced enterprise zones (Sections 135.950 - 135.970); or
- (g) Missouri Quality Jobs Program (Section 620.1881).

Requires a qualified manufacturing company that fails to make the required capital investment within two years to immediately cease retaining any withholding taxes with respect to jobs at the facility, repay all withholding tax previously retained plus interest of 5% per year, and forfeit all rights to retain withholding taxes for the remainder of the withholding period. If the failure to make the capital investment is due to economic conditions beyond the company's control, the department director may suspend the right to retain withholding taxes one time for up to three years at the company's request.

## CONTACT

### Missouri Department of Economic Development

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## TAX CREDIT ANALYSIS

|  |  |                           |
|--|--|---------------------------|
| <b>Program Name:</b> Manufacturing Jobs Acts       |  |                           |
| <b>Department:</b> Economic Development            | <b>Contact Name &amp; No.:</b> Kristen Riggs (573) 751-3713  | <b>Date:</b> January 2022 |
| <b>Program Category:</b> Business Retention        | <b>Type:</b> Tax Credit <input type="checkbox"/> <b>Other (specify)</b> <input checked="" type="checkbox"/> (Retention of Withholding Taxes) |                           |
| <b>Statutory Authority:</b> Section 620.1910, RSMo | <b>Applicable Taxes:</b> Withholding Tax   |                           |
| <b>Date of Origin:</b> 2010                        |  |                           |

### Program Description and Eligibility Requirements:

A business with NAICS code of 33611 may retain withholding taxes in the amount of 100% for retained full time employees for the creation of a new product line for 10 years or retain 50% of the withholding taxes for the modification or expansion to an existing product for 7 years. A qualified supplier of an eligible manufacturer may retain 100% of withholding taxes for new jobs (creation of 5 new jobs threshold to qualify) for a period of 3 years or, if wages are in excess of 120% of county average, for 5 years.

**Explanation of How Award is Computed:** Entitlement ☐ Yes ☐ Discretionary ☐ No

The eligible manufacturer commits to make a capital investment of at least \$75,000 per retained job, or in the case of a modified / expansion of an existing product, commits to make a capital investment of at least \$50,000 within no more than two years of the date the company begins to retain withholdings. For the eligible supplier, the company must derive more than 10% of the total annual sales from the qualified manufacturer and add five or more new jobs.

**Program Cap:** Cumulative \$ \_\_\_\_\_ (remainder of cumulative cap) \$ \_\_\_\_\_ Annual \$15 million per year for manufacturing companies None \_\_\_\_\_

**Explanation of Cap:** Maximum amount of withholding tax that can be retained by any one qualified manufacturing company shall not exceed \$10 million per calendar year and the aggregate amount for all qualified manufacturing companies shall not exceed \$15 million per calendar year. There are no annual limits for qualified suppliers.

**Explanation of Expiration of Authority:** This program sunset October 12, 2016.

### Specific Provisions: (if applicable)

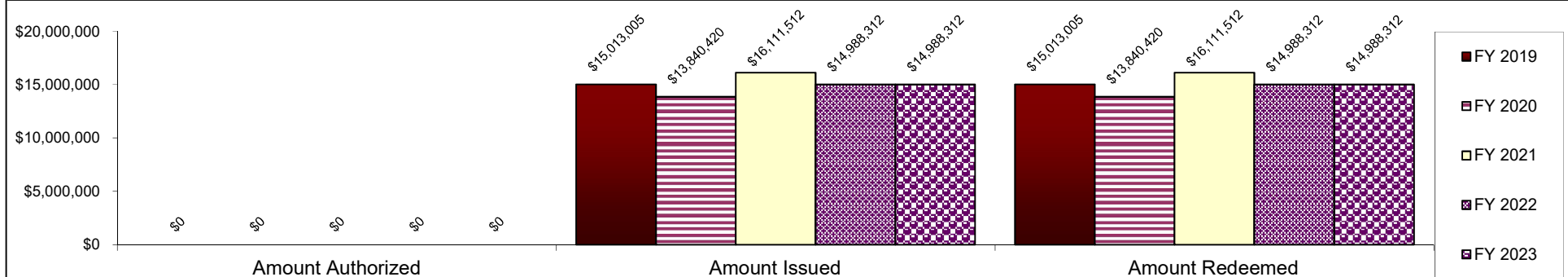
Carry forward ☐ n/a Carry Back ☐ n/a Refundable ☐ No Sellable/Assignable ☐ No Additional Federal Deductions Available ☐ No

### Comments on Specific Provisions:

|                           | FY 2019 ACTUAL | FY 2020 ACTUAL | FY 2021 ACTUAL | FY 2022 (year to date) | FY 2022 (Full Year) | FY 2023 (Budget Year) |
|---------------------------|----------------|----------------|----------------|------------------------|---------------------|-----------------------|
| Certificates Issued (#)   | 0              | 0              | 0              | 0                      | 0                   | 0                     |
| Projects/Participants (#) | 0              | 0              | 0              | 0                      | 0                   | 0                     |
| Amount Authorized         | \$0            | \$0            | \$0            | \$0                    | \$0                 | \$0                   |
| Amount Issued             | \$15,013,005   | \$13,840,420   | \$16,111,512   | \$2,036,111            | \$14,988,312        | \$14,988,312          |
| Amount Redeemed           | \$15,013,005   | \$13,840,420   | \$16,111,512   | \$2,036,111            | \$14,988,312        | \$14,988,312          |

FY 2022 EST. Amount Outstanding \$0 FY 2022 EST. Amount Authorized but Unissued \$13,276,376

### HISTORICAL AND PROJECTED INFORMATION



**Comments on Historical and Projected Information:** Issuance and redemptions happens at the same time; so there is \$0 in outstanding, which is the issued but not yet redeemed.

## TAX CREDIT ANALYSIS

| <b>Program Name:</b> Manufacturing Jobs Acts  |                             |  |  |             |        |         |       |         |       |         |       |         |  |         |  |
|---|-----------------------------|--|--|-------------|--------|---------|-------|---------|-------|---------|-------|---------|--|---------|--|
| <b>BENEFIT: COST ANALYSIS (includes only state revenue impacts)</b>   |                             |  |  |             |        |         |       |         |       |         |       |         |  |         |  |
|   | <b>FY 2021<br/>ACTIVITY</b> | <b>Other Fiscal Period<br/>(indicated time period)</b> | <b>Derivation of Benefits:</b><br>No new authorizations in FY2021. |             |        |         |       |         |       |         |       |         |  |         |  |
| <b>BENEFITS</b>   |                             |  |  |             |        |         |       |         |       |         |       |         |  |         |  |
| Direct Fiscal Benefits  |                             |  |  |             |        |         |       |         |       |         |       |         |  |         |  |
| Indirect Fiscal Benefits  |                             |  |  |             |        |         |       |         |       |         |       |         |  |         |  |
| <b>Total</b>  | \$0                         | \$0  |  |             |        |         |       |         |       |         |       |         |  |         |  |
| <b>COSTS</b>  |                             |  |  |             |        |         |       |         |       |         |       |         |  |         |  |
| Direct Fiscal Costs   |                             |  |  |             |        |         |       |         |       |         |       |         |  |         |  |
| Indirect Fiscal Costs   |                             |  |  |             |        |         |       |         |       |         |       |         |  |         |  |
| <b>Total</b>  | \$0                         | \$0  |  |             |        |         |       |         |       |         |       |         |  |         |  |
| <b>BENEFIT: COST</b>  | <b>#DIV/0!</b>              | <b>#DIV/0!</b>   |  |             |        |         |       |         |       |         |       |         |  |         |  |
| <b>Other Benefits:</b><br><br><br>  |                             |  |  |             |        |         |       |         |       |         |       |         |  |         |  |
| <b>PERFORMANCE MEASURE(S)</b>   |                             |  |  |             |        |         |       |         |       |         |       |         |  |         |  |
| <b>Permanent Jobs Retained</b>  |                             |  |  |             |        |         |       |         |       |         |       |         |  |         |  |
| <table border="1" style="margin-top: 10px; width: 100%; text-align: center;"> <caption>Permanent Jobs Retained Data</caption> <thead> <tr> <th>Fiscal Year</th> <th>Actual</th> </tr> </thead> <tbody> <tr> <td>FY 2019</td> <td>5,198</td> </tr> <tr> <td>FY 2020</td> <td>5,198</td> </tr> <tr> <td>FY 2021</td> <td>5,198</td> </tr> <tr> <td>FY 2022</td> <td></td> </tr> <tr> <td>FY 2023</td> <td></td> </tr> </tbody> </table> |                             |  |  | Fiscal Year | Actual | FY 2019 | 5,198 | FY 2020 | 5,198 | FY 2021 | 5,198 | FY 2022 |  | FY 2023 |  |
| Fiscal Year   | Actual                      |  |  |             |        |         |       |         |       |         |       |         |  |         |  |
| FY 2019   | 5,198                       |  |  |             |        |         |       |         |       |         |       |         |  |         |  |
| FY 2020   | 5,198                       |  |  |             |        |         |       |         |       |         |       |         |  |         |  |
| FY 2021   | 5,198                       |  |  |             |        |         |       |         |       |         |       |         |  |         |  |
| FY 2022   |                             |  |  |             |        |         |       |         |       |         |       |         |  |         |  |
| FY 2023   |                             |  |  |             |        |         |       |         |       |         |       |         |  |         |  |
| <b>Comments on Performance Measure:</b> Same jobs retained each year.   |                             |  |  |             |        |         |       |         |       |         |       |         |  |         |  |
| <b>Investment</b>   |                             |  |  |             |        |         |       |         |       |         |       |         |  |         |  |
| <table border="1" style="margin-top: 10px; width: 100%; text-align: center;"> <caption>Investment Data</caption> <thead> <tr> <th>Fiscal Year</th> <th>Actual</th> </tr> </thead> <tbody> <tr> <td>FY 2019</td> <td>\$0</td> </tr> <tr> <td>FY 2020</td> <td>\$0</td> </tr> <tr> <td>FY 2021</td> <td>\$0</td> </tr> <tr> <td>FY 2022</td> <td></td> </tr> <tr> <td>FY 2023</td> <td></td> </tr> </tbody> </table>                    |                             |  |  | Fiscal Year | Actual | FY 2019 | \$0   | FY 2020 | \$0   | FY 2021 | \$0   | FY 2022 |  | FY 2023 |  |
| Fiscal Year   | Actual                      |  |  |             |        |         |       |         |       |         |       |         |  |         |  |
| FY 2019   | \$0                         |  |  |             |        |         |       |         |       |         |       |         |  |         |  |
| FY 2020   | \$0                         |  |  |             |        |         |       |         |       |         |       |         |  |         |  |
| FY 2021   | \$0                         |  |  |             |        |         |       |         |       |         |       |         |  |         |  |
| FY 2022   |                             |  |  |             |        |         |       |         |       |         |       |         |  |         |  |
| FY 2023   |                             |  |  |             |        |         |       |         |       |         |       |         |  |         |  |
| <b>Comments on Performance Measure:</b> No additional investment reported in FY2020. The manufacturers have reported their investments in previous years. Suppliers are not required to report investment.  |                             |  |  |             |        |         |       |         |       |         |       |         |  |         |  |



## MISSOURI WORKS PROGRAM

Facilitate the creation of quality jobs by targeted business projects

### AUTHORIZATION

Sections 620.2000 to 620.2020

### ELIGIBLE APPLICANTS

- For-Profit or non-profit businesses.
- Not Eligible:
  - Gambling establishments, store front consumer-based retail trade establishments (except for any such establishments located in a county of the third or fourth classification), food and drinking places, public utilities, educational services, religious organizations, public administration, ethanol distillation or production, biodiesel production, or healthcare and social services.
  - Businesses that are delinquent in payment of any nonprotested taxes or other payments (state, federal, local).
  - Businesses that have filed for or have publicly announced their intention to file for bankruptcy, unless certain requirements are met.
  - Businesses that are relocating jobs from Johnson, Miami, or Wyandotte counties in Kansas to Jackson, Platte, Clay or Cass counties in Missouri. However, net new jobs created above a qualified company's base employment may be eligible for benefits.
- Note: Headquarters, administrative, or research and development offices of otherwise excluded businesses may be eligible if the predominant function of such offices is to serve a multistate territory.

### APPLICATION/APPROVAL PROCEDURE

Prior to the receipt of a DED proposal or approval of a notice of intent ("NOI"), none of the following can have occurred:

- Significant, project-specific site work at the project facility.
- Purchased machinery or equipment related to the project.
- A publicly announced intention to make new capital investment at the project facility.

A qualified company may request a proposal for estimated benefits or apply directly with an NOI to DED. DED will then confirm the business is eligible; establish the date at which "base employment" is calculated; reserve the estimated tax credits for the project (if any); and establish the 2-year deadline date by which the minimum thresholds for the creation of the new jobs, investment, etc. must be met.

### PROGRAM BENEFITS

Program benefits include (a) the retention of the state withholding tax of the new jobs and/or (b) state tax credits, which are refundable, transferable and saleable. The program benefits are based on a percentage of the payroll of the new jobs. The program benefits are not provided until the minimum new job threshold is met and the company meets the average wage and health insurance requirements. For definitions of "full time employee," "new jobs," and "project facility base employment," please see the Missouri Works Program Guidelines.

### ELIGIBILITY CRITERIA

| Program                     | Minimum New Jobs | Minimum New Private Capital Investment                       | Minimum Average Wage     | Automatic Benefit  |
|-----------------------------|------------------|--|--------------------------|--|
| Zone Works (Note 1)         | 2                | \$100,000  | 80% of County Avg. Wage  | WH, 5 or 6 years (Note 3)  |
| Rural Works (Note 2)        | 2                | \$100,000  | 90% of County Avg. Wage  | WH, 5 or 6 years (Note 3)  |
| Statewide Works             | 10               | N/A  | 90% of County Avg. Wage  | WH, 5 or 6 years (Note 3)  |
| Mega Works 120              | 100              | N/A  | 120% of County Avg. Wage | 6% of new payroll, 5 or 6 years (Note 3)   |
| Mega Works 140              | 100              | N/A  | 140% of County Avg. Wage | 7% of new payroll, 5 or 6 years (Note 3)   |
| Qualified Military Projects | 10               | Real or personal property amount as outlined in the proposal | 90% of County Avg. Wage  | Tax credits equal to the estimated WH taxes for a term up to 15 years. Must receive a proposal for benefits. |

"WH" means the retention of the state withholding tax of the new jobs

Note 1: Project facility must be located in an Enhanced Enterprise Zone.

Note 2: Project facility must be located in a "rural" county, which would NOT include Boone, Buchanan, Clay, Greene, Jackson, St. Charles, and St. Louis City and County.

Note 3: Benefit period is 5 years, or 6 years for existing Missouri companies (those that have been operational in Missouri for at least 10 years).

In addition to the Benefit indicated above, the Statewide Works or Mega Works projects may be considered for discretionary benefits. The criteria for the discretionary benefits include:

- The least amount necessary to obtain the company's commitment;
- The amount of the project's projected net fiscal benefit to the state and the period in which the state would realize such net fiscal benefit;
- The overall size (number of jobs, payroll, new capital investment) and quality (average wages, growth potential of the company, multiplier effect of the industry) of the project;
- The financial stability and creditworthiness of the company;
- The level of economic distress of the project area;
- The competitiveness of alternative locations; and
- The percentage of local incentives committed to the project.

## FUNDING LIMITS - PROGRAM CAPS

| FY2020<br>(July 1, 2019 - June 30, 2020)  | FY2021 and thereafter<br>(Starting July 1, 2020)  | FY2023 and thereafter<br>(Starting July 1, 2023)  |
|---|---|---|
| \$116 million in tax credits<br><br>(Note: Up to 21.5% of tax credit cap may be set aside for the Deal Closing Fund.) | \$116 million in tax credits<br><br>(Note: Up to 21.5% of tax credit cap may be set aside for the Deal Closing Fund.)<br><br>\$10 million in tax credits for infrastructure projects<br><br>\$75 million in withholdings for companies with a base employment of 50 or more | \$116 million in tax credits<br><br>(Note: Up to 21.5% of tax credit cap may be set aside for the Deal Closing Fund.)<br><br>\$10 million in tax credits for infrastructure projects<br><br>\$75 million in withholdings for companies with a base employment of 50 or more |

## ATTRIBUTES OF THE TAX CREDITS

The tax credits may be applied to Chapter 143 (state income tax, excluding withholding tax) and Chapter 148 (financial institution tax) liabilities. Tax credits must be claimed within one year of the close of the taxable year for which they were issued. Tax credits can only be applied to tax liability for the year in which they were earned. Any annual unused balance is fully refundable. The credits may also be transferred, sold or assigned.

## REPORTING REQUIREMENTS

On an annual basis, the business must submit a report documenting the new jobs created, the total payroll, and that the business meets the health insurance requirements for the new jobs. In the event that a company has not maintained the minimum program requirements, benefits will cease for the remainder of the benefit period and may require repayment. The Tax Credit Accountability Act Reporting Form must also be submitted to the Department of Revenue by June 30th each year the company receives tax credits and for the three years following the issuance of the tax credits.

## SPECIAL PROGRAM REQUIREMENTS

Special conditions apply when Missouri Works is used at the same time as other programs that affect state withholding taxes (e.g. Missouri One Start, State Tax Increment Financing).

Estimated state withholding taxes, based on adjusted gross income (AGI):

- AGI of \$15-20,000 1.21%
- AGI of \$20-25,000 1.92%
- AGI of \$25-30,000 2.45%
- AGI of \$30-35,000 2.82%
- AGI of \$35-40,000 3.06%
- AGI of \$40-45,000 3.20%
- AGI of \$45-50,000 3.29%
- AGI of \$50-55,000 3.40%
- AGI of \$55-60,000 3.46%
- AGI of \$60-65,000 3.53%
- AGI of \$65-70,000 3.58%
- AGI of \$70-75,000 3.67%
- AGI of \$75-100,000 3.43%
- AGI of \$100-200,000 3.02%

County average wages (effective until 6/30/2022):

Average county wages are based on Census of Employment and Wages, MERIC. Updates to be made annually. Use 2,080 hours per year when converting from annual to hourly wages.

| County         | Average Annual Wage | County      | Average Annual Wage | County         | Average Annual Wage |
|----------------|---------------------|-------------|---------------------|----------------|---------------------|
| ADAIR          | \$35,659            | GRUNDY      | \$33,808            | PERRY          | \$39,716            |
| ANDREW         | \$37,419            | HARRISON    | \$31,738            | PETTIS         | \$38,034            |
| ATCHISON       | \$37,404            | HENRY       | \$37,825            | PHELPS         | \$39,873            |
| AUDRAIN        | \$39,430            | HICKORY     | \$28,232            | PIKE           | \$35,939            |
| BARRY          | \$40,423            | HOLT        | \$42,688            | PLATTE         | \$53,359            |
| BARTON         | \$36,845            | HOWARD      | \$34,425            | POLK           | \$35,164            |
| BATES          | \$34,213            | HOWELL      | \$36,070            | PULASKI        | \$31,920            |
| BENTON         | \$30,188            | IRON        | \$41,584            | PUTNAM         | \$31,766            |
| BOLLINGER      | \$32,271            | JACKSON     | \$54,746            | RALLS          | \$47,892            |
| BOONE          | \$48,247            | JASPER      | \$42,969            | RANDOLPH       | \$41,466            |
| BUCHANAN       | \$49,786            | JEFFERSON   | \$41,474            | RAY            | \$39,254            |
| BUTLER         | \$34,908            | JOHNSON     | \$36,218            | REYNOLDS       | \$39,682            |
| CALDWELL       | \$40,038            | KNOX        | \$35,732            | RIPLEY         | \$23,402            |
| CALLAWAY       | \$51,646            | LACLEDE     | \$37,650            | SALINE         | \$40,868            |
| CAMDEN         | \$37,771            | LAFAYETTE   | \$36,118            | SCHUYLER       | \$30,831            |
| CAPE GIRARDEAU | \$45,171            | LAWRENCE    | \$38,354            | SCOTLAND       | \$30,058            |
| CARROLL        | \$40,175            | LEWIS       | \$36,982            | SCOTT          | \$41,118            |
| CARTER         | \$26,964            | LINCOLN     | \$43,461            | SHANNON        | \$27,455            |
| CASS           | \$39,763            | LINN        | \$37,869            | SHELBY         | \$36,725            |
| CEDAR          | \$29,634            | LIVINGSTON  | \$36,713            | ST CHARLES     | \$50,936            |
| CHARITON       | \$37,118            | MACON       | \$35,565            | ST LOUIS CITY  | \$54,746            |
| CHRISTIAN      | \$35,639            | MADISON     | \$32,121            | ST LOUIS CO    | \$54,746            |
| CLARK          | \$28,917            | MARIES      | \$35,243            | ST. CLAIR      | \$29,903            |
| CLAY           | \$52,999            | MARION      | \$41,515            | ST. FRANCOIS   | \$34,097            |
| CLINTON        | \$39,540            | MCDONALD    | \$37,575            | STE. GENEVIEVE | \$47,471            |
| COLE           | \$45,498            | MERCER      | \$43,945            | STODDARD       | \$39,610            |
| COOPER         | \$36,639            | MILLER      | \$35,045            | STONE          | \$31,993            |
| CRAWFORD       | \$38,816            | MISSISSIPPI | \$33,235            | SULLIVAN       | \$50,516            |
| DADE           | \$34,233            | MONITEAU    | \$41,443            | TANEY          | \$34,125            |
| DALLAS         | \$26,282            | MONROE      | \$33,185            | TEXAS          | \$31,776            |
| DAVISS         | \$29,193            | MONTGOMERY  | \$39,137            | VERNON         | \$39,912            |
| DEKALB         | \$37,986            | MORGAN      | \$31,486            | WARREN         | \$42,127            |
| DENT           | \$31,446            | NEW MADRID  | \$38,947            | WASHINGTON     | \$29,678            |
| DOUGLAS        | \$28,665            | NEWTON      | \$45,439            | WAYNE          | \$27,509            |
| DUNKLIN        | \$28,226            | NODAWAY     | \$38,000            | WEBSTER        | \$36,222            |
| FRANKLIN       | \$44,812            | OREGON      | \$27,548            | WORTH          | \$26,236            |
| GASCONADE      | \$33,727            | OSAGE       | \$40,889            | WRIGHT         | \$33,285            |
| GENTRY         | \$38,945            | OZARK       | \$27,077            | STATEWIDE      | \$54,746            |
| GREENE         | \$47,337            | PEMISCOT    | \$31,814            |                |                     |

Statewide average of \$54,746 applicable to any county over the statewide average when determining program eligibility. (Jackson, St. Louis County and City)

The wage represents an average for all private industries.

If a project is moving from one Missouri county to a county with a lower county average wage, the company must obtain endorsement from the governing body of the community where the jobs are located, or the higher county average wage will be used for calculations.



|   |                     |  |   |
|---|---------------------|--|---|
| Program Name: Missouri Works - Business Incentives  |                     |  |   |
| BENEFIT: COST ANALYSIS (includes only state revenue impacts)  |                     |  |   |
|   | FY 2021<br>ACTIVITY | Other Fiscal Period<br>(10-Years)                                | Derivation of Benefits:<br>Investment: (a) \$189,363 in Non-Residential Investment spending over years 2021-2022.<br>Employment: (a) 10,747 jobs scaled up over four years in various manufacturing and services sectors at average wage rates in 2021-2030.<br>Other Assumptions: N/A<br>Incentives/Credits: (a) \$230,374,403 in Missouri Works tax credits over years 2021-2026.<br>Impacts occur Statewide. All Values in Constant Dollars. Assumptions provided by DED. Estimated using REMI.<br>The multi-year fiscal Benefit-Cost Ratio is X.XX when other program incentives (Job Retention Training, Customized) are included.<br>The multi-year fiscal Benefit-Cost Ratio is 2.04 when 1,519 retained jobs are included, assuming all would exit the state but for the incentive. |
| BENEFITS  |                     |  |   |
| Direct Fiscal Benefits  | \$7,557,569         | \$211,407,713  |   |
| Indirect Fiscal Benefits  | \$6,114,727         | \$171,047,126  |   |
| Total   | \$13,672,296        | \$382,454,838  |   |
| COSTS   |                     |  |   |
| Direct Fiscal Costs   | \$38,395,734        | \$219,394,544  |   |
| Indirect Fiscal Costs   | \$0                 | \$0  |   |
| Total   | \$38,395,734        | \$219,394,544  |   |
| BENEFIT: COST   | 0.36                | 1.74   |   |
| Other Benefits:   |                     |  |   |
| In FY 2021, every dollar of auth. program tax credits returns   |                     | Over 10 YEARS, every dollar of auth. program tax credits returns |   |
| \$9.32 in new personal income totaling \$357.89 million   |                     | \$70.70 in new personal income totaling \$15,510.14 million      |   |
| \$16.63 in new value-added/GSP totalin \$638.44 million   |                     | \$109.95 in new value-added/GSP totalin \$24,123.44 million      |   |
| \$32.69 in new economic output totaling \$1,255.16 million  |                     | \$213.00 in new economic output totaling \$46,731.43 million     |   |
| PERFORMANCE MEASURE(S)  |                     |  |   |
| Permanent New Jobs Created  |                     |  |   |
|   |                     |  |   |
| Comments on Performance Measure: FY2014 was the first year of the program.<br>The estimated number of jobs is the total projected for all projects for which DED issued benefits during FY19, FY20, and FY21. The actual number is the actual number of jobs reported by those projects issued benefits during FY19, FY20 and FY21. Companies have 2 years after authorization to create the statutory threshold number of jobs and ramp up over time. Many of the jobs estimated will be reported as actual in later years. The actual jobs numbers are totals for the projects to date. They are not net new for the year. These numbers do not include retained projects in the Retention category of the program. |                     |  |   |



## MISSOURI QUALITY JOBS PROGRAM

Facilitate the creation of quality jobs by targeted business projects.

### AUTHORIZATION

Section 620.1875-620.1900, RSMo

### ELIGIBLE AREAS

Statewide.

### ELIGIBLE APPLICANTS

For-profit and non-profit businesses [except for gambling, retail trade, food and drinking places, public utilities, educational services, ethanol distillation or production facilities, biodiesel production facilities, religious organizations, and public administration companies or businesses that are delinquent in non-protested taxes or other payments (state, federal or local), or any company that has filed for or has publicly announced its intention to file for bankruptcy.] Headquarters or administrative offices of otherwise excluded businesses that serve a multi-state area may qualify in some cases. The average wage of the new jobs must equal or exceed the county average wage (as published by DED), and the company must offer health insurance and pay at least 50% of the premium for all full-time employees in Missouri.

Average Wage: Total annual payroll of the new jobs divided by the average annual number of new jobs.

### ELIGIBILITY CRITERIA

The business must create a minimum number of new jobs at the project facility prior to the "deadline" date, based on the type of project:

#### Small/Expanding businesses:

- Rural areas: 20 or more new jobs within two years of the date of DED's approval.
- Non-rural areas: 40 or more new jobs within two years of the date of DED's approval.

\*Non-rural areas include the counties of Boone, Buchanan, Clay, Greene, Jackson, St. Charles, and St. Louis city and county.

Technology businesses (classified by NAICS codes):

- 10 or more new jobs within two years of the date of DED's approval.

#### High Impact businesses:

- 100 or more new jobs within two years of the date of the hiring of the first new job, and the first new job must be within one year of the date of DED's approval.

### PROGRAM BENEFITS/ELIGIBLE USES

For "Small/Expanding" businesses, the benefit of the program is the retention of the state withholding tax of the new jobs.

For "Technology" and "High Impact" businesses, the benefits of the program are (a) the retention of the state withholding tax of the new jobs; and (b) state tax credits, which are refundable, transferable and/or saleable. The program benefits are based on a percentage of the payroll of the new jobs.

The program benefits are not provided until the minimum new job threshold is met and the company meets the average wage and health insurance requirements.

This tax credit can be applied to Chapter 143 (state income tax, excluding withholding tax) and Chapter 148 (financial institutions tax). Tax credits must be claimed within one year of the close of the taxable year that they were issued. Tax credits can only be applied to tax liability for the year in which they were earned. Any unused balance is refundable. The credits may also be transferred, sold or assigned.

The program benefits are calculated as follows:

Small/Expanding businesses: Retain 100% of the withholding tax of the new jobs, each year for the benefit period of:

- Three years - if the average wage of new jobs is 100-119% of county average wage; or
- Five years - if the average wage of new jobs is at least 120% of county average wage.

**Technology businesses:** 5% of the payroll of the new jobs each year for five years; plus:

- "Average Wage Bonus"

**High Impact businesses:** 3% of the payroll of the new jobs each year for five years; plus:

- "Average Wage Bonus"
- "Local Incentives Bonus"

**"Average Wage Bonus":** Company average wage as a percentage of county average wage:

- Greater than 120% and up to 140%: ½% bonus of payroll of the new jobs.
- Greater than 140%: 1% bonus of payroll of the new jobs.

**"Local Incentives Bonus":** Amount of local incentives provided to the project as a percentage of the amount of new local tax revenues derived from the project, over 10 years:

- 10-24%: 1% bonus of payroll of the new jobs.
- 25-49%: 2% bonus of payroll of the new jobs.
- 50% or more: 3% bonus of payroll of the new jobs.

Each time the business meets the minimum new job threshold, it may start a new benefit period for the net new jobs created. There is no limit on the number of benefit periods a company may use the program, as long as a new Notice of Intent is completed and minimum new job thresholds and other program qualifications are met.

"New jobs" are defined as full-time (average 35 or more hours/week each year) employees of the company that are employed at the project facility, based on the increase from the "base employment" (the number of full-time jobs at the facility, or the average number for the twelve-month period prior to the Notice of Intent, whichever is higher, on the date DED receives

the Notice of Intent). In the event the company (or a related company) reduced jobs at another facility in Missouri with related operations, the new jobs at the project facility would be reduced accordingly.

## FUNDING LIMITS

There is no annual cap on the retained withholding taxes. Tax credits issued for the entire program shall not exceed \$80,000,000 per calendar year, and are provided on a first-come basis.

## APPLICATION/APPROVAL PROCEDURE

An application ("Notice of Intent") may be submitted to DED at any time of the year by the business. Applications may be obtained at [www.missouridevelopment.org](http://www.missouridevelopment.org). DED's approval will:

- Confirm that the type of project/business is eligible.
- Establish the date "base employment" is calculated.
- Reserve the estimated tax credits for the project.
- Establish the 2-year "deadline" date for the creation of the minimum new jobs to be eligible for the program.

## REPORTING REQUIREMENTS

On an annual basis, the business must submit a report documenting the new jobs created, the total payroll, and confirming that the business meets the health insurance requirements for the new jobs. In the event that a company has not maintained the minimum program requirements, benefits will cease for the remainder of the benefit period. A high-impact project may continue as a small/expanding project as long as new jobs and other program requirements are met. SB1099, or the Tax Credit Accountability Act Reporting Form must be submitted to the Department of Economic Development by June 30th each year the company receives tax credits and for the three years following the end of the benefit period.

## SPECIAL PROGRAM REQUIREMENTS

A business cannot simultaneously receive benefits for the same capital investment or the same jobs for the following programs:

- Rebuilding Communities
- Development Tax Credit
- Enhanced Enterprise Zone
- Quality Jobs
- Manufacturing Jobs

Special conditions apply when Quality Jobs is used at the same time as other programs that affect state withholding taxes (Missouri Training, State TIF, MODESA).

Estimated state withholding taxes, based on adjusted gross income (AGI):

- AGI of \$15-20,000 1.21%
- AGI of \$20-25,000 1.92%
- AGI of \$25-30,000 2.45%
- AGI of \$30-35,000 2.82%
- AGI of \$35-40,000 3.06%
- AGI of \$40-45,000 3.20%
- AGI of \$45-50,000 3.29%
- AGI of \$50-55,000 3.40%
- AGI of \$55-60,000 3.46%
- AGI of \$60-65,000 3.53%
- AGI of \$65-70,000 3.58%
- AGI of \$70-75,000 3.67%
- AGI of \$75-100,000 3.43%
- AGI of \$100-200,000 3.02%

## CONTACT

**Missouri Department of Economic Development**

**Division of Business and Community Services**

301 West High Street, Room 770 | P.O. Box 118

Jefferson City, MO | 65102

Phone: 573-751-4539 | Fax: 573-522-4322

E-mail: [dedfin@ded.mo.gov](mailto:dedfin@ded.mo.gov) | Web: [www.ded.mo.gov](http://www.ded.mo.gov)

County average wages (effective until 6/30/2022):

Average county wages are based on Census of Employment and Wages,

MERIC. Updates to be made annually. Use 2,080 hours per year when converting from annual to hourly wages.

| County         | Average Annual Wage | County      | Average Annual Wage | County         | Average Annual Wage |
|----------------|---------------------|-------------|---------------------|----------------|---------------------|
| ADAIR          | \$35,659            | GRUNDY      | \$33,808            | PERRY          | \$39,716            |
| ANDREW         | \$37,419            | HARRISON    | \$31,738            | PETTIS         | \$38,034            |
| ATCHISON       | \$37,404            | HENRY       | \$37,825            | PHILIPS        | \$39,873            |
| AUDRAIN        | \$39,430            | HICKORY     | \$28,282            | PIKE           | \$35,939            |
| BARRY          | \$40,423            | HOLT        | \$42,688            | PLATTE         | \$53,359            |
| BARTON         | \$36,845            | HOWARD      | \$34,425            | POLK           | \$35,164            |
| BATES          | \$34,213            | HOWELL      | \$36,070            | PULASKI        | \$31,920            |
| BENTON         | \$30,188            | IRON        | \$41,584            | PUTNAM         | \$31,766            |
| BOLLINGER      | \$32,271            | JACKSON     | \$62,310            | RALLS          | \$47,892            |
| BOONE          | \$48,247            | JASPER      | \$42,969            | RANDOLPH       | \$41,466            |
| BUCHANAN       | \$49,786            | JEFFERSON   | \$41,474            | RAY            | \$39,254            |
| BUTLER         | \$34,908            | JOHNSON     | \$36,218            | REYNOLDS       | \$39,682            |
| CALDWELL       | \$40,038            | KNOX        | \$35,732            | RIPLEY         | \$23,402            |
| CALLAWAY       | \$51,646            | LACLEDE     | \$37,650            | SALINE         | \$40,868            |
| CAMDEN         | \$37,771            | LAFAYETTE   | \$36,118            | SCHUYLER       | \$30,831            |
| CAPE GIRARDEAU | \$45,171            | LAWRENCE    | \$38,354            | SCOTLAND       | \$30,058            |
| CARROLL        | \$40,175            | LEWIS       | \$36,982            | SCOTT          | \$41,118            |
| CARTER         | \$28,964            | LINCOLN     | \$43,461            | SHANNON        | \$27,455            |
| CASS           | \$39,763            | LINN        | \$37,869            | SHELBY         | \$36,725            |
| CEDAR          | \$29,634            | LIVINGSTON  | \$36,713            | ST CHARLES     | \$50,936            |
| CHARITON       | \$37,118            | MACON       | \$35,565            | ST LOUIS CITY  | \$67,561            |
| CHRISTIAN      | \$35,639            | MADISON     | \$32,121            | ST LOUIS CO    | \$66,807            |
| CLARK          | \$28,917            | MARIES      | \$35,243            | ST. CLAIR      | \$29,903            |
| CLAY           | \$52,999            | MARION      | \$41,515            | ST. FRANCOIS   | \$34,097            |
| CLINTON        | \$39,540            | MCDONALD    | \$37,575            | STE. GENEVIEVE | \$47,471            |
| COLE           | \$45,498            | MERCER      | \$43,945            | STODDARD       | \$39,610            |
| COOPER         | \$36,639            | MILLER      | \$35,045            | STONE          | \$31,993            |
| CRAWFORD       | \$38,816            | MISSISSIPPI | \$33,235            | SULLIVAN       | \$50,516            |
| DADE           | \$34,233            | MONITEAU    | \$41,443            | TANEY          | \$34,125            |
| DALLAS         | \$26,282            | MONROE      | \$33,185            | TEXAS          | \$31,776            |
| DAVIESS        | \$29,193            | MONTGOMERY  | \$39,137            | VERNON         | \$39,912            |
| DEKALB         | \$37,986            | MORGAN      | \$31,486            | WARREN         | \$42,127            |
| DENT           | \$31,446            | NEW MADRID  | \$38,947            | WASHINGTON     | \$29,678            |
| DOUGLAS        | \$28,665            | NEWTON      | \$45,439            | WAYNE          | \$27,509            |
| DUNKLIN        | \$28,226            | NODAWAY     | \$38,000            | WEBSTER        | \$36,222            |
| FRANKLIN       | \$44,812            | OREGON      | \$27,548            | WORTH          | \$26,236            |
| GASCONADE      | \$33,727            | OSAGE       | \$40,889            | WRIGHT         | \$33,285            |
| GENTRY         | \$38,945            | OZARK       | \$27,077            | STATEWIDE      | \$54,746            |
| GREENE         | \$47,337            | PEMISCOT    | \$31,814            |                |                     |

• Statewide average of \$54,746 applicable to any county over the statewide average when determining program eligibility.

• The wage represents an average for all private industries.

• If a project is moving from one Missouri county to a county with a lower county average wage, the company must obtain endorsement from the governing body of the community where the jobs are located, or the higher county average wage will be used for calculations.

## TAX CREDIT ANALYSIS

| <b>Program Name:</b> Missouri Quality Jobs   |                       |  |                       |   |                            |                              |          |         |         |         |         |         |                   |     |     |     |     |     |               |              |              |              |             |             |                 |              |              |              |              |             |
|--|-----------------------|--|-----------------------|---|----------------------------|------------------------------|----------|---------|---------|---------|---------|---------|-------------------|-----|-----|-----|-----|-----|---------------|--------------|--------------|--------------|-------------|-------------|-----------------|--------------|--------------|--------------|--------------|-------------|
| <b>Department:</b> Economic Development  |                       | <b>Contact Name &amp; No.:</b> Kristen Riggs (573) 751-3713  |                       |   | <b>Date:</b> January 2022  |                              |          |         |         |         |         |         |                   |     |     |     |     |     |               |              |              |              |             |             |                 |              |              |              |              |             |
| <b>Program Category:</b> Business Recruitment  |                       | <b>Type:</b> Tax Credit <u>X</u> <b>Other (specify)</b> <u>X</u> (Also Retention of Withholding Taxes of new jobs) |                       |   |                            |                              |          |         |         |         |         |         |                   |     |     |     |     |     |               |              |              |              |             |             |                 |              |              |              |              |             |
| <b>Statutory Authority:</b> Sections 620.1875-620.1890, RSMo   |                       | <b>Applicable Taxes:</b> Income Tax; Bank Tax; Insurance Premium Tax; Other financial institutions tax             |                       |   |                            |                              |          |         |         |         |         |         |                   |     |     |     |     |     |               |              |              |              |             |             |                 |              |              |              |              |             |
| <b>Date of Origin:</b> 2005  |                       |  |                       |   |                            |                              |          |         |         |         |         |         |                   |     |     |     |     |     |               |              |              |              |             |             |                 |              |              |              |              |             |
| <b>Program Description and Eligibility Requirements:</b><br>For-profit and non-profit businesses except for gambling, retail trade, food and drinking places, public utilities, educational services, religious organizations, public administration, companies that are delinquent in non-protested taxes or other payments, or any company that has filed for or has publicly announced its intention to file for bankruptcy are eligible provided the average wage of the new jobs equals or exceeds the county average wage and the company offers health insurance and pays at least 50% of the premium. To qualify, the company must create a minimum number of new jobs at the project facility within 2 years. |                       |  |                       |   |                            |                              |          |         |         |         |         |         |                   |     |     |     |     |     |               |              |              |              |             |             |                 |              |              |              |              |             |
| <b>Explanation of How Award is Computed:</b>   |                       | <b>Entitlement</b> <input type="checkbox"/> Yes <input type="checkbox"/> No  |                       | <b>Discretionary</b> <input type="checkbox"/> Yes <input type="checkbox"/> No |                            |                              |          |         |         |         |         |         |                   |     |     |     |     |     |               |              |              |              |             |             |                 |              |              |              |              |             |
| The benefits of the program are the retention of 100% of the state withholding tax of the new jobs for 3 or 5 years for small/expanding businesses (20+ new jobs in rural areas and 40+ new jobs in non-rural areas); or a combination of the retention of 100% of the state withholding tax of the new jobs and state tax credits for 5 years for technology businesses (10+ new jobs) and high impact businesses (100+ new jobs), based on a percentage (from 3 to 7%, depending on the average wage of the new jobs and the amount of local incentives) of the payroll of the new jobs.   |                       |  |                       |   |                            |                              |          |         |         |         |         |         |                   |     |     |     |     |     |               |              |              |              |             |             |                 |              |              |              |              |             |
| <b>Program Cap:</b> Cumulative \$ _____ (remainder of cumulative cap) \$ _____ Annual <u>\$80 million</u> None _____   |                       |  |                       |   |                            |                              |          |         |         |         |         |         |                   |     |     |     |     |     |               |              |              |              |             |             |                 |              |              |              |              |             |
| <b>Explanation of cap:</b> The cap increased from \$40 million to \$60 million in tax credits beginning Aug. 2008. The cap increased to \$80 million beginning June 4, 2009 . Up to \$3 million of the cap may be used for job retention projects approved by the Quality Jobs Advisory Task Force, with no tax credits issued after August 30, 2013. Up to \$500,000 of the cap may be used for small business job retention and flood relief projects, with no tax credits approved after August 30, 2010. The tax credit maximums applying to technology and high impact business projects were removed for newly approved projects as of June 4, 2009. There is no limit on the retention of withholding taxes.    |                       |  |                       |   |                            |                              |          |         |         |         |         |         |                   |     |     |     |     |     |               |              |              |              |             |             |                 |              |              |              |              |             |
| <b>Explanation of Expiration of Authority:</b> No tax credits shall be issued for job retention projects approved after August 30, 2013. No tax credits shall be issued for small business job retention and flood relief projects approved after August 30, 2010. No new projects may be proposed after August 27, 2013.  |                       |  |                       |   |                            |                              |          |         |         |         |         |         |                   |     |     |     |     |     |               |              |              |              |             |             |                 |              |              |              |              |             |
| <b>Specific Provisions:</b> (if applicable)<br>Carry forward <input type="checkbox"/> n/a    Carry Back <input type="checkbox"/> n/a    Refundable <input type="checkbox"/> Yes    Sellable/Assignable <input type="checkbox"/> Yes    Additional Federal Deductions Available <input type="checkbox"/> No   |                       |  |                       |   |                            |                              |          |         |         |         |         |         |                   |     |     |     |     |     |               |              |              |              |             |             |                 |              |              |              |              |             |
| <b>Comments on Specific Provisions:</b>  |                       |  |                       |   |                            |                              |          |         |         |         |         |         |                   |     |     |     |     |     |               |              |              |              |             |             |                 |              |              |              |              |             |
|  | <b>FY 2019 ACTUAL</b> | <b>FY 2020 ACTUAL</b>  | <b>FY 2021 ACTUAL</b> | <b>FY 2022 (year to date)</b>   | <b>FY 2022 (Full Year)</b> | <b>FY 2023 (Budget Year)</b> |          |         |         |         |         |         |                   |     |     |     |     |     |               |              |              |              |             |             |                 |              |              |              |              |             |
| Certificates Issued (#)  | 48                    | 29   | 26                    | 0   | 19                         | 0                            |          |         |         |         |         |         |                   |     |     |     |     |     |               |              |              |              |             |             |                 |              |              |              |              |             |
| Projects/Participants (#)  | 0                     | 0  | 0                     | 0   | 0                          | 0                            |          |         |         |         |         |         |                   |     |     |     |     |     |               |              |              |              |             |             |                 |              |              |              |              |             |
| Amount Authorized  | \$0                   | \$0  | \$0                   | \$0   | \$0                        | \$0                          |          |         |         |         |         |         |                   |     |     |     |     |     |               |              |              |              |             |             |                 |              |              |              |              |             |
| Amount Issued  | \$39,130,844          | \$39,906,066   | \$18,873,165          | \$8,049,313   | \$11,903,622               | \$4,186,670                  |          |         |         |         |         |         |                   |     |     |     |     |     |               |              |              |              |             |             |                 |              |              |              |              |             |
| Amount Redeemed  | \$48,411,092          | \$37,669,409   | \$17,605,264          | \$7,967,111   | \$11,903,622               | \$4,186,670                  |          |         |         |         |         |         |                   |     |     |     |     |     |               |              |              |              |             |             |                 |              |              |              |              |             |
| FY 2022 EST. Amount Outstanding  |                       | \$3,888,087  |                       | FY 2022 EST. Amount Authorized but Unissued                                   |                            | \$17,465,423                 |          |         |         |         |         |         |                   |     |     |     |     |     |               |              |              |              |             |             |                 |              |              |              |              |             |
| <b>HISTORICAL AND PROJECTED INFORMATION</b>  |                       |  |                       |   |                            |                              |          |         |         |         |         |         |                   |     |     |     |     |     |               |              |              |              |             |             |                 |              |              |              |              |             |
| <table border="1" style="margin-top: 10px; width: 100%; border-collapse: collapse;"> <caption>Historical and Projected Information Data</caption> <thead> <tr> <th>Category</th> <th>FY 2019</th> <th>FY 2020</th> <th>FY 2021</th> <th>FY 2022</th> <th>FY 2023</th> </tr> </thead> <tbody> <tr> <td>Amount Authorized</td> <td>\$0</td> <td>\$0</td> <td>\$0</td> <td>\$0</td> <td>\$0</td> </tr> <tr> <td>Amount Issued</td> <td>\$39,130,844</td> <td>\$39,906,066</td> <td>\$18,873,165</td> <td>\$8,049,313</td> <td>\$4,186,670</td> </tr> <tr> <td>Amount Redeemed</td> <td>\$48,411,092</td> <td>\$37,669,409</td> <td>\$17,605,264</td> <td>\$11,903,622</td> <td>\$4,186,670</td> </tr> </tbody> </table>   |                       |  |                       |   |                            |                              | Category | FY 2019 | FY 2020 | FY 2021 | FY 2022 | FY 2023 | Amount Authorized | \$0 | \$0 | \$0 | \$0 | \$0 | Amount Issued | \$39,130,844 | \$39,906,066 | \$18,873,165 | \$8,049,313 | \$4,186,670 | Amount Redeemed | \$48,411,092 | \$37,669,409 | \$17,605,264 | \$11,903,622 | \$4,186,670 |
| Category   | FY 2019               | FY 2020  | FY 2021               | FY 2022   | FY 2023                    |                              |          |         |         |         |         |         |                   |     |     |     |     |     |               |              |              |              |             |             |                 |              |              |              |              |             |
| Amount Authorized  | \$0                   | \$0  | \$0                   | \$0   | \$0                        |                              |          |         |         |         |         |         |                   |     |     |     |     |     |               |              |              |              |             |             |                 |              |              |              |              |             |
| Amount Issued  | \$39,130,844          | \$39,906,066   | \$18,873,165          | \$8,049,313   | \$4,186,670                |                              |          |         |         |         |         |         |                   |     |     |     |     |     |               |              |              |              |             |             |                 |              |              |              |              |             |
| Amount Redeemed  | \$48,411,092          | \$37,669,409   | \$17,605,264          | \$11,903,622  | \$4,186,670                |                              |          |         |         |         |         |         |                   |     |     |     |     |     |               |              |              |              |             |             |                 |              |              |              |              |             |
| <b>Comments on Historical and Projected Information:</b> As of the end of FY2021, the total amount Authorized for Quality Jobs since the beginning of the program is \$968,588,734.55. Of that amount, \$272,550,270.42, has been disqualified/withdrawn without any benefits being paid out. Other projects have ceased receiving benefits in the middle of their projects. The total amount Issued for Quality Jobs is \$543,750,504.94 and the total amount of redemptions is \$536,434,882.03.   |                       |  |                       |   |                            |                              |          |         |         |         |         |         |                   |     |     |     |     |     |               |              |              |              |             |             |                 |              |              |              |              |             |

## TAX CREDIT ANALYSIS

| <b>Program Name:</b> Missouri Quality Jobs   |                             |  |  |             |                            |         |    |         |     |         |       |         |  |         |  |
|--|-----------------------------|--|--|-------------|----------------------------|---------|----|---------|-----|---------|-------|---------|--|---------|--|
| <b>BENEFIT: COST ANALYSIS (includes only state revenue impacts)</b>  |                             |  |  |             |                            |         |    |         |     |         |       |         |  |         |  |
|  | <b>FY 2021<br/>ACTIVITY</b> | <b>Other Fiscal Period<br/>(indicated time period)</b> | <b>Derivation of Benefits:</b><br>No new authorizations in FY2021. The Quality Jobs Annual Report has the overall program cost/benefit analysis. |             |                            |         |    |         |     |         |       |         |  |         |  |
| <b>BENEFITS</b>  |                             |  |  |             |                            |         |    |         |     |         |       |         |  |         |  |
| Direct Fiscal Benefits   |                             |  |  |             |                            |         |    |         |     |         |       |         |  |         |  |
| Indirect Fiscal Benefits   |                             |  |  |             |                            |         |    |         |     |         |       |         |  |         |  |
| <b>Total</b>   | \$0                         | \$0  |  |             |                            |         |    |         |     |         |       |         |  |         |  |
| <b>COSTS</b>   |                             |  |  |             |                            |         |    |         |     |         |       |         |  |         |  |
| Direct Fiscal Costs  |                             |  |  |             |                            |         |    |         |     |         |       |         |  |         |  |
| Indirect Fiscal Costs  |                             |  |  |             |                            |         |    |         |     |         |       |         |  |         |  |
| <b>Total</b>   | \$0                         | \$0  |  |             |                            |         |    |         |     |         |       |         |  |         |  |
| <b>BENEFIT: COST</b>   | <b>#DIV/0!</b>              | <b>#DIV/0!</b>   |  |             |                            |         |    |         |     |         |       |         |  |         |  |
| <b>Other Benefits:</b>   |                             |  |  |             |                            |         |    |         |     |         |       |         |  |         |  |
|  |                             |  |  |             |                            |         |    |         |     |         |       |         |  |         |  |
| <b>PERFORMANCE MEASURE(S)</b>  |                             |  |  |             |                            |         |    |         |     |         |       |         |  |         |  |
| <b>Permanent New Jobs Created Over the Previous Year</b>   |                             |  |  |             |                            |         |    |         |     |         |       |         |  |         |  |
| <table border="1" style="margin-top: 10px; width: 100%; border-collapse: collapse;"> <caption>Permanent New Jobs Created Over the Previous Year</caption> <thead> <tr> <th>Fiscal Year</th> <th>Permanent New Jobs Created</th> </tr> </thead> <tbody> <tr> <td>FY 2019</td> <td>90</td> </tr> <tr> <td>FY 2020</td> <td>932</td> </tr> <tr> <td>FY 2021</td> <td>1,684</td> </tr> <tr> <td>FY 2022</td> <td></td> </tr> <tr> <td>FY 2023</td> <td></td> </tr> </tbody> </table> |                             |  |  | Fiscal Year | Permanent New Jobs Created | FY 2019 | 90 | FY 2020 | 932 | FY 2021 | 1,684 | FY 2022 |  | FY 2023 |  |
| Fiscal Year  | Permanent New Jobs Created  |  |  |             |                            |         |    |         |     |         |       |         |  |         |  |
| FY 2019  | 90                          |  |  |             |                            |         |    |         |     |         |       |         |  |         |  |
| FY 2020  | 932                         |  |  |             |                            |         |    |         |     |         |       |         |  |         |  |
| FY 2021  | 1,684                       |  |  |             |                            |         |    |         |     |         |       |         |  |         |  |
| FY 2022  |                             |  |  |             |                            |         |    |         |     |         |       |         |  |         |  |
| FY 2023  |                             |  |  |             |                            |         |    |         |     |         |       |         |  |         |  |
| <b>Comments on Performance Measure:</b> For projects reporting in the fiscal year, This is the number of new jobs over the previous year reported. As the program winds down, the lower the net new job numbers go, as companies reach their targets. The companies still receive benefits for new jobs over their base employment.  |                             |  |  |             |                            |         |    |         |     |         |       |         |  |         |  |



## WINE & GRAPE PRODUCTION TAX CREDIT PROGRAM

### PURPOSE

Assist vineyards and wine producers with the purchase of new equipment and materials by granting a tax credit for a portion of the purchase price.

The Missouri Department of Economic Development (DED), will issue a state tax credit to an individual, partnership or corporation in an amount equal to 25% of the purchase price of new equipment and materials used directly in the growing of grapes or the production of wine in Missouri.

### AUTHORIZATION

Section 135.700, RSMo

### ELIGIBLE AREAS

Statewide.

### ELIGIBLE APPLICANTS

Missouri individuals or businesses.

### ELIGIBILITY CRITERIA

An individual or business must be actively involved in the production of wine or the growing of grapes in the state of Missouri.

### PROGRAM BENEFITS/ELIGIBLE USES

This tax credit can be applied to:

- Ch. 143 – Income tax, excluding withholding tax

This credit has no special attributes. It must be applied to tax liability for the year it was earned.

### APPLICATION/APPROVAL PROCEDURE

An application must be filed with DED no later than October 31st, 2017. DED will issue a tax credit certificate authorizing the applicant to claim the tax credits. No tax credits will be authorized or issued after December 31st, 2017.

### REPORTING REQUIREMENTS

The "Tax Credit Accountability Act" reporting form must be submitted to DED by June 30 each year for three years following the year of the first issuance of tax credits.

The Agricultural Category of tax credits, which includes the Wine and Grape Production program, requires recipients to annually report to DED for three (3) years following the date of issuance

of the tax credits, the following information:

- Type of agricultural commodity
- Amount of contribution
- Type of equipment purchased
- Name and description of facility, except that if the agricultural credit is issued as a result of a producer member investing in a new generation processing entity, then the new generation processing entity, and not the recipient, shall annually, for a period of three years following the issuance of tax credits provide the information.

### SPECIAL PROGRAM REQUIREMENTS

Equipment and materials must be new purchases. The purchase price is the selling price of the new equipment and materials, excluding sales tax, delivery cost, shipping and handling costs, installation costs, and other unrelated costs.

The new equipment and materials must be:

- Used on land owned or leased for the purpose of producing wine or growing grapes; and
- Used directly in the production of wine or growing of grapes in the state of Missouri.

The new equipment and materials will be considered used directly based upon:

- Where the item in question is used;
- When the item in question is used; and
- How the item in question is used to produce wine or grow grapes.

### CONTACT

#### Missouri Department of Economic Development

Division of Business and Community Solutions

Business and Community Finance Team

301 West High Street • Room 770 • P.O. Box 118

Jefferson City • MO • 65102

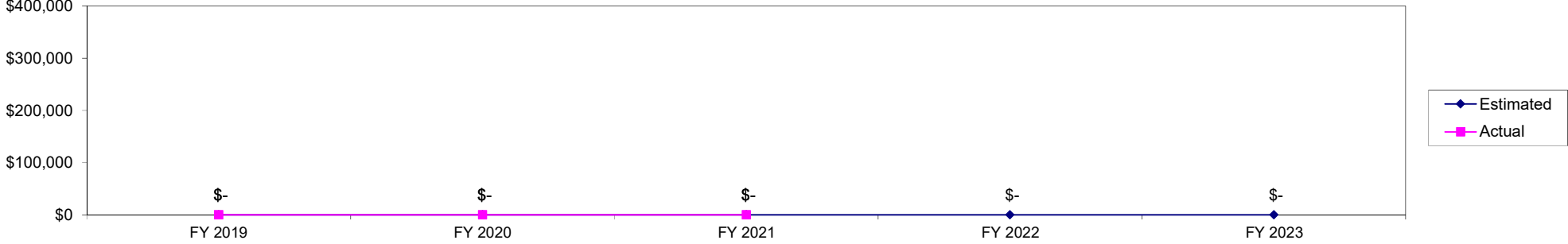
Phone: 573-751-4539 • Fax: 573-522-4322

E-mail: [dedfin@ded.mo.gov](mailto:dedfin@ded.mo.gov) • Web: [www.ded.mo.gov](http://www.ded.mo.gov)

## TAX CREDIT ANALYSIS

| <b>Program Name:</b> Wine Producers and Grape Growers  |                       |                       |   |   |                            |                              |          |         |         |         |         |         |                   |     |     |     |     |     |               |         |     |     |     |     |                 |     |     |          |     |     |
|--|-----------------------|-----------------------|---|---|----------------------------|------------------------------|----------|---------|---------|---------|---------|---------|-------------------|-----|-----|-----|-----|-----|---------------|---------|-----|-----|-----|-----|-----------------|-----|-----|----------|-----|-----|
| <b>Department:</b> Economic Development  |                       |                       | <b>Contact Name &amp; No.:</b> Kristen Riggs (573) 751-3713                       |   |                            | <b>Date:</b> January 2022    |          |         |         |         |         |         |                   |     |     |     |     |     |               |         |     |     |     |     |                 |     |     |          |     |     |
| <b>Program Category:</b> Agricultural  |                       |                       | <b>Type:</b> Tax Credit <input checked="" type="checkbox"/> Other (specify) _____ |   |                            |                              |          |         |         |         |         |         |                   |     |     |     |     |     |               |         |     |     |     |     |                 |     |     |          |     |     |
| <b>Statutory Authority:</b> 135.700, RSMo  |                       |                       | <b>Applicable Taxes:</b> Income Tax   |   |                            |                              |          |         |         |         |         |         |                   |     |     |     |     |     |               |         |     |     |     |     |                 |     |     |          |     |     |
| <b>Date of Origin:</b> 1998  |                       |                       |   |   |                            |                              |          |         |         |         |         |         |                   |     |     |     |     |     |               |         |     |     |     |     |                 |     |     |          |     |     |
| <b>Program Description and Eligibility Requirements:</b><br>Any grape grower or wine producer within the state can claim an income tax credit for a percentage of the purchase price of all new equipment and materials used directly in growing grapes or producing wine within the state. Taxpayers may apply annually for up to five years.   |                       |                       |   |   |                            |                              |          |         |         |         |         |         |                   |     |     |     |     |     |               |         |     |     |     |     |                 |     |     |          |     |     |
| <b>Explanation of How Award is Computed:</b> <b>Entitlement</b> <input type="checkbox"/> Yes <b>Discretionary</b> <input type="checkbox"/> No<br>The tax credit is equal to 25% of the purchase price of all new equipment and materials used directly in growing grapes or producing wine.  |                       |                       |   |   |                            |                              |          |         |         |         |         |         |                   |     |     |     |     |     |               |         |     |     |     |     |                 |     |     |          |     |     |
| <b>Program Cap:</b> Cumulative \$ _____ (remainder of cumulative cap) \$ _____ Annual \$ _____ None <input checked="" type="checkbox"/> X<br><b>Explanation of cap:</b><br>There is no cap on this program.  |                       |                       |   |   |                            |                              |          |         |         |         |         |         |                   |     |     |     |     |     |               |         |     |     |     |     |                 |     |     |          |     |     |
| <b>Explanation of Expiration of Authority:</b><br><b>Specific Provisions:</b> (if applicable)<br>Carry forward <input type="text" value="n/a"/> Carry Back <input type="text" value="n/a"/> Refundable <input type="text" value="No"/> Sellable/Assignable <input type="text" value="No"/> Additional Federal Deductions Available <input type="text" value="No"/>   |                       |                       |   |   |                            |                              |          |         |         |         |         |         |                   |     |     |     |     |     |               |         |     |     |     |     |                 |     |     |          |     |     |
| <b>Comments on Specific Provisions:</b>  |                       |                       |   |   |                            |                              |          |         |         |         |         |         |                   |     |     |     |     |     |               |         |     |     |     |     |                 |     |     |          |     |     |
|  | <b>FY 2019 ACTUAL</b> | <b>FY 2020 ACTUAL</b> | <b>FY 2021 ACTUAL</b>   | <b>FY 2022 (year to date)</b>               | <b>FY 2022 (Full Year)</b> | <b>FY 2023 (Budget Year)</b> |          |         |         |         |         |         |                   |     |     |     |     |     |               |         |     |     |     |     |                 |     |     |          |     |     |
| Certificates Issued (#)  | 0                     | 0                     | 0   | 0   | 0                          | 0                            |          |         |         |         |         |         |                   |     |     |     |     |     |               |         |     |     |     |     |                 |     |     |          |     |     |
| Projects/Participants (#)  | 0                     | 0                     | 0   | 0   | 0                          | 0                            |          |         |         |         |         |         |                   |     |     |     |     |     |               |         |     |     |     |     |                 |     |     |          |     |     |
| Amount Authorized  | \$0                   | \$0                   | \$0   | \$0   | \$0                        | \$0                          |          |         |         |         |         |         |                   |     |     |     |     |     |               |         |     |     |     |     |                 |     |     |          |     |     |
| Amount Issued  | \$0                   | \$0                   | \$0   | \$0   | \$0                        | \$0                          |          |         |         |         |         |         |                   |     |     |     |     |     |               |         |     |     |     |     |                 |     |     |          |     |     |
| Amount Redeemed  | \$4,423               | \$0                   | \$18,980  | \$0   | \$0                        | \$0                          |          |         |         |         |         |         |                   |     |     |     |     |     |               |         |     |     |     |     |                 |     |     |          |     |     |
| FY 2022 EST. Amount Outstanding  |                       | \$0                   |   | FY 2022 EST. Amount Authorized but Unissued |                            | \$0                          |          |         |         |         |         |         |                   |     |     |     |     |     |               |         |     |     |     |     |                 |     |     |          |     |     |
| <b>HISTORICAL AND PROJECTED INFORMATION</b>  |                       |                       |   |   |                            |                              |          |         |         |         |         |         |                   |     |     |     |     |     |               |         |     |     |     |     |                 |     |     |          |     |     |
| <table border="1" style="margin-top: 10px; width: 100%; border-collapse: collapse;"> <caption>Historical and Projected Information Data</caption> <thead> <tr> <th>Category</th> <th>FY 2019</th> <th>FY 2020</th> <th>FY 2021</th> <th>FY 2022</th> <th>FY 2023</th> </tr> </thead> <tbody> <tr> <td>Amount Authorized</td> <td>\$0</td> <td>\$0</td> <td>\$0</td> <td>\$0</td> <td>\$0</td> </tr> <tr> <td>Amount Issued</td> <td>\$4,423</td> <td>\$0</td> <td>\$0</td> <td>\$0</td> <td>\$0</td> </tr> <tr> <td>Amount Redeemed</td> <td>\$0</td> <td>\$0</td> <td>\$18,980</td> <td>\$0</td> <td>\$0</td> </tr> </tbody> </table> |                       |                       |   |   |                            |                              | Category | FY 2019 | FY 2020 | FY 2021 | FY 2022 | FY 2023 | Amount Authorized | \$0 | \$0 | \$0 | \$0 | \$0 | Amount Issued | \$4,423 | \$0 | \$0 | \$0 | \$0 | Amount Redeemed | \$0 | \$0 | \$18,980 | \$0 | \$0 |
| Category   | FY 2019               | FY 2020               | FY 2021   | FY 2022                                     | FY 2023                    |                              |          |         |         |         |         |         |                   |     |     |     |     |     |               |         |     |     |     |     |                 |     |     |          |     |     |
| Amount Authorized  | \$0                   | \$0                   | \$0   | \$0   | \$0                        |                              |          |         |         |         |         |         |                   |     |     |     |     |     |               |         |     |     |     |     |                 |     |     |          |     |     |
| Amount Issued  | \$4,423               | \$0                   | \$0   | \$0   | \$0                        |                              |          |         |         |         |         |         |                   |     |     |     |     |     |               |         |     |     |     |     |                 |     |     |          |     |     |
| Amount Redeemed  | \$0                   | \$0                   | \$18,980  | \$0   | \$0                        |                              |          |         |         |         |         |         |                   |     |     |     |     |     |               |         |     |     |     |     |                 |     |     |          |     |     |
| <b>Comments on Historical and Projected Information:</b> In 2018, 2019 and 2020 the estimates were not approved by the House Budget Committee in tax credit hearings.  |                       |                       |   |   |                            |                              |          |         |         |         |         |         |                   |     |     |     |     |     |               |         |     |     |     |     |                 |     |     |          |     |     |

## TAX CREDIT ANALYSIS

| <b>Program Name:</b> Wine Producers and Grape Growers   |                             |  |                                  |             |        |           |         |     |  |         |     |  |         |     |  |         |  |     |         |  |     |
|---|-----------------------------|--|----------------------------------|-------------|--------|-----------|---------|-----|--|---------|-----|--|---------|-----|--|---------|--|-----|---------|--|-----|
| <b>BENEFIT: COST ANALYSIS (includes only state revenue impacts)</b>   |                             |  |                                  |             |        |           |         |     |  |         |     |  |         |     |  |         |  |     |         |  |     |
|   | <b>FY 2021<br/>ACTIVITY</b> | <b>Other Fiscal Period<br/>(indicated time period)</b> | <b>Derivation of Benefits:</b>   |             |        |           |         |     |  |         |     |  |         |     |  |         |  |     |         |  |     |
| <b>BENEFITS</b>   |                             |  | No new authorizations in FY2021. |             |        |           |         |     |  |         |     |  |         |     |  |         |  |     |         |  |     |
| Direct Fiscal Benefits  | \$0                         | \$0  |                                  |             |        |           |         |     |  |         |     |  |         |     |  |         |  |     |         |  |     |
| Indirect Fiscal Benefits  | \$0                         | \$0  |                                  |             |        |           |         |     |  |         |     |  |         |     |  |         |  |     |         |  |     |
| <b>Total</b>  | \$0                         | \$0  |                                  |             |        |           |         |     |  |         |     |  |         |     |  |         |  |     |         |  |     |
| <b>COSTS</b>  |                             |  |                                  |             |        |           |         |     |  |         |     |  |         |     |  |         |  |     |         |  |     |
| Direct Fiscal Costs   | \$0                         | \$0  |                                  |             |        |           |         |     |  |         |     |  |         |     |  |         |  |     |         |  |     |
| Indirect Fiscal Costs   | \$0                         | \$0  |                                  |             |        |           |         |     |  |         |     |  |         |     |  |         |  |     |         |  |     |
| <b>Total</b>  | \$0                         | \$0  |                                  |             |        |           |         |     |  |         |     |  |         |     |  |         |  |     |         |  |     |
| <b>BENEFIT: COST</b>  | <b>#DIV/0!</b>              | <b>#DIV/0!</b>   |                                  |             |        |           |         |     |  |         |     |  |         |     |  |         |  |     |         |  |     |
| <b>Other Benefits:</b>  |                             |  |                                  |             |        |           |         |     |  |         |     |  |         |     |  |         |  |     |         |  |     |
| <b>PERFORMANCE MEASURE(S)</b>   |                             |  |                                  |             |        |           |         |     |  |         |     |  |         |     |  |         |  |     |         |  |     |
| <b>Leveraged Investment</b>   |                             |  |                                  |             |        |           |         |     |  |         |     |  |         |     |  |         |  |     |         |  |     |
|  <table border="1" style="margin-top: 10px; width: 100%; border-collapse: collapse;"> <caption>Leveraged Investment Data</caption> <thead> <tr> <th>Fiscal Year</th> <th>Actual</th> <th>Estimated</th> </tr> </thead> <tbody> <tr> <td>FY 2019</td> <td>\$-</td> <td></td> </tr> <tr> <td>FY 2020</td> <td>\$-</td> <td></td> </tr> <tr> <td>FY 2021</td> <td>\$-</td> <td></td> </tr> <tr> <td>FY 2022</td> <td></td> <td>\$-</td> </tr> <tr> <td>FY 2023</td> <td></td> <td>\$-</td> </tr> </tbody> </table> |                             |  |                                  | Fiscal Year | Actual | Estimated | FY 2019 | \$- |  | FY 2020 | \$- |  | FY 2021 | \$- |  | FY 2022 |  | \$- | FY 2023 |  | \$- |
| Fiscal Year   | Actual                      | Estimated  |                                  |             |        |           |         |     |  |         |     |  |         |     |  |         |  |     |         |  |     |
| FY 2019   | \$-                         |  |                                  |             |        |           |         |     |  |         |     |  |         |     |  |         |  |     |         |  |     |
| FY 2020   | \$-                         |  |                                  |             |        |           |         |     |  |         |     |  |         |     |  |         |  |     |         |  |     |
| FY 2021   | \$-                         |  |                                  |             |        |           |         |     |  |         |     |  |         |     |  |         |  |     |         |  |     |
| FY 2022   |                             | \$-  |                                  |             |        |           |         |     |  |         |     |  |         |     |  |         |  |     |         |  |     |
| FY 2023   |                             | \$-  |                                  |             |        |           |         |     |  |         |     |  |         |     |  |         |  |     |         |  |     |
| <b>Comments on Performance Measure:</b>   |                             |  |                                  |             |        |           |         |     |  |         |     |  |         |     |  |         |  |     |         |  |     |



# CAPITOL COMPLEX TAX CREDIT ACT

MISSOURI DEVELOPMENT FINANCE BOARD / DEPARTMENT OF ECONOMIC DEVELOPMENT / OFFICE OF ADMINISTRATION

Assist in funding the rehabilitation and renovation of buildings in the Capitol Complex. The Capitol Complex includes the State Capitol building, Supreme Court building, Old Federal Courthouse, Highway Building and the Governor's Mansion.

## AUTHORIZATION

Section 620.3210, RSMo, as amended

## ELIGIBLE DONATIONS

- Eligible artifacts donated to the Board of Public Buildings shall be allowed a credit in an amount of thirty percent of the eligible artifact donation.
- Eligible artifacts include items of personal property specifically for display in a building in the Capitol Complex or former fixtures which were previously owned by the state and used within the Capitol Complex. The Board of Public Buildings has sole discretion in determining whether a donation is an eligible artifact.
- Eligible monetary donations submitted to MDFB for deposit into the Capitol Complex Fund or to an eligible 501(c)(3) organization shall be allowed a credit in the amount of fifty percent of the donation.
- Monetary donations include cash, check, money order or similar cash equivalents valued at the face value of the currency, stocks of publicly traded companies; and bonds that are publicly traded.

## FUNDING LIMITS

No more than \$10 million in tax credits may be approved in a calendar year. Donations will be processed for tax credits on a first come, first serve basis. Donations received in excess of the tax credit cap for the calendar year shall be placed in line for tax credits issued the following calendar year or shall be given the opportunity to complete their donation without the expectation of a tax credit, or shall request to have their donation returned.

The program will sunset on August 28, 2027.

## PROGRAM BENEFITS/ELIGIBLE USES

The donations collected through this program will be used primarily by the Office of Administration for the restoration and maintenance of the buildings in the Capitol Complex.

This tax credit can be applied to:

- Ch. 143 – Income tax, excluding withholding tax (except for taxes due under Sections 143.191 to 143.265)
- Ch. 148 – Bank Tax, Insurance Premium Tax, Other Financial Institution Tax

This tax credit's special attributes:

- Refundable (monetary donations only) or Carry-forward 4 years
- Sellable or transferable
- All credits must be redeemed within 5 years of issuance

## APPLICATION/APPROVAL PROCEDURE

- Eligible Artifact donations are submitted to the Board of Public Buildings for a determination of acceptance. If accepted, the Board of Public Buildings will submit a receipt of contribution including the artifacts valuation with a copy to the Department of Economic Development for further processing and the issuance of a tax credit.
- Eligible Monetary donations are submitted to the MDFB for deposit into the Capitol Complex Fund. A receipt of contribution is issued to the donor with a copy to the Department of Economic Development for further processing and the issuance of a tax credit.

## CONTACT

**Missouri Department of Economic Development**  
Division of Business and Community Solutions  
Community Finance Team

301 West High Street, Room 720/P.O. Box 118  
Jefferson City, MO 65102  
Phone: 573-522-8004

Email: [community@ded.mo.gov](mailto:community@ded.mo.gov) | Web: [www.ded.mo.gov](http://www.ded.mo.gov)

**Missouri Development Finance Board**  
200 Madison Street, Suite 1000 /P.O. Box 567  
Jefferson City, Missouri 65102  
Phone: 573-751-8479  
Email: [mdfb@ded.mo.gov](mailto:mdfb@ded.mo.gov)  
Web: [www.mdfb.org](http://www.mdfb.org)

**Commissioner's Office**  
Office of Administration  
201 West Capital Ave, Rm 125  
Jefferson City, MO 65101  
Web: <https://oa.mo.gov/>

## TAX CREDIT ANALYSIS

|  |                              |                      |   |            |     |                                       |                         |                              |   |                             |            |     |                                       |                         |     |   |    |
|--|------------------------------|----------------------|---|------------|-----|---------------------------------------|-------------------------|------------------------------|---|-----------------------------|------------|-----|---------------------------------------|-------------------------|-----|---|----|
| <b>Program Name:</b> Capitol Complex Tax Credit Act  |                              |                      |   |            |     |                                       |                         |                              |   |                             |            |     |                                       |                         |     |   |    |
| <b>Department:</b> Economic Development  |                              |                      | <b>Contact Name &amp; No.:</b> Daniel Epler (573) 751-5798        |            |     | <b>Date:</b> January 2022             |                         |                              |   |                             |            |     |                                       |                         |     |   |    |
| <b>Program Category:</b> Redevelopment   |                              |                      | <b>Type:</b> Tax Credit__X__ Other (specify)                      |            |     |                                       |                         |                              |   |                             |            |     |                                       |                         |     |   |    |
| <b>Statutory Authority:</b> Section 620.3210 RSMo  |                              |                      | <b>Applicable Taxes:</b> Income tax and financial institution tax |            |     |                                       |                         |                              |   |                             |            |     |                                       |                         |     |   |    |
| <b>Date of Origin:</b> 2021  |                              |                      |   |            |     |                                       |                         |                              |   |                             |            |     |                                       |                         |     |   |    |
| <b>Program Description and Eligibility Requirements:</b><br>A contribution tax credit that provides a credit for monetary or artifact donations to capitol complex buildings, including the state capitol, supreme court, old federal courthouse, highway building, and Governor's mansion.  |                              |                      |   |            |     |                                       |                         |                              |   |                             |            |     |                                       |                         |     |   |    |
| <b>Explanation of How Award is Computed:</b> <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 30%;"><b>Entitlement</b></td> <td style="width: 10%; text-align: center;"><input type="checkbox"/> Yes</td> <td style="width: 30%;"><b>Discretionary</b></td> <td style="width: 10%; text-align: center;"><input type="checkbox"/> No</td> <td colspan="3"></td> </tr> </table> Monetary donations are eligible for a 50% refundable tax credit; Artifact donations are eligible for a 30% nonrefundable tax credit.   |                              |                      |   |            |     |                                       | <b>Entitlement</b>      | <input type="checkbox"/> Yes | <b>Discretionary</b>                    | <input type="checkbox"/> No |            |     |                                       |                         |     |   |    |
| <b>Entitlement</b>   | <input type="checkbox"/> Yes | <b>Discretionary</b> | <input type="checkbox"/> No                                       |            |     |                                       |                         |                              |   |                             |            |     |                                       |                         |     |   |    |
| <b>Program Cap:</b> Cumulative \$ _____ (remainder of cumulative cap) \$ _____ Annual \$ <u>\$10M</u> None   |                              |                      |   |            |     |                                       |                         |                              |   |                             |            |     |                                       |                         |     |   |    |
| <b>Explanation of cap:</b><br>No more than \$10M can be authorized in an calendar year. Donations received in excess of the cap are place in line for issuance the following year.   |                              |                      |   |            |     |                                       |                         |                              |   |                             |            |     |                                       |                         |     |   |    |
| <b>Explanation of Expiration of Authority:</b> Sunsets after 6 years – August 2027. If reauthorized, sunsets automatically 12 years after 8/28/2021.   |                              |                      |   |            |     |                                       |                         |                              |   |                             |            |     |                                       |                         |     |   |    |
| <b>Specific Provisions:</b> (if applicable) <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 15%;">Carry forward</td> <td style="width: 10%; border: 1px solid black; text-align: center;">4 years</td> <td style="width: 15%;">Carry Back</td> <td style="width: 10%; border: 1px solid black; text-align: center;">n/a</td> <td style="width: 15%;">Refundable</td> <td style="width: 10%; border: 1px solid black; text-align: center;">Yes</td> <td style="width: 10%; font-size: small;">only monetary<br/>donations refundable</td> <td style="width: 15%;">Sellable/<br/>Assignable</td> <td style="width: 10%; border: 1px solid black; text-align: center;">Yes</td> <td style="width: 15%;">Additional Federal Deductions Available</td> <td style="width: 10%; border: 1px solid black; text-align: center;">No</td> </tr> </table> |                              |                      |   |            |     |                                       | Carry forward           | 4 years                      | Carry Back                              | n/a                         | Refundable | Yes | only monetary<br>donations refundable | Sellable/<br>Assignable | Yes | Additional Federal Deductions Available | No |
| Carry forward  | 4 years                      | Carry Back           | n/a   | Refundable | Yes | only monetary<br>donations refundable | Sellable/<br>Assignable | Yes                          | Additional Federal Deductions Available | No                          |            |     |                                       |                         |     |   |    |
| <b>Comments on Specific Provisions:</b>  |                              |                      |   |            |     |                                       |                         |                              |   |                             |            |     |                                       |                         |     |   |    |

|                         | FY 2019 ACTUAL | FY 2020 ACTUAL | FY 2021 ACTUAL | FY 2022 (year to date) | FY 2022 (Full Year) | FY 2023 (Budget Year) |
|-------------------------|----------------|----------------|----------------|------------------------|---------------------|-----------------------|
| Certificates Issued (#) | 0              | 0              | 0              | 0                      | *                   | *                     |
| Projects (#)            | 0              | 0              | 0              | 0                      | 5                   | 5                     |
| Amount Authorized       | \$0            | \$0            | \$0            | \$0                    | *                   | *                     |
| Amount Issued           | \$0            | \$0            | \$0            | \$0                    | *                   | *                     |
| Amount Redeemed         | \$0            | \$0            | \$0            | \$0                    | *                   | *                     |

|                                 |     |   |     |
|---------------------------------|-----|---|-----|
| FY 2020 EST. Amount Outstanding | \$0 | FY 2020 EST. Amount Authorized but Unissued | \$0 |
|---------------------------------|-----|---|-----|

**HISTORICAL AND PROJECTED INFORMATION**

Amount Authorized

Amount Issued

Amount Redeemed

Comments on Historical and Projected Information: \*Program enacted August 28, 2021. No data exists as basis for projections. After FY2022, we will be better able to project.

## TAX CREDIT ANALYSIS

**Program Name:** Capitol Complex Tax Credit Act

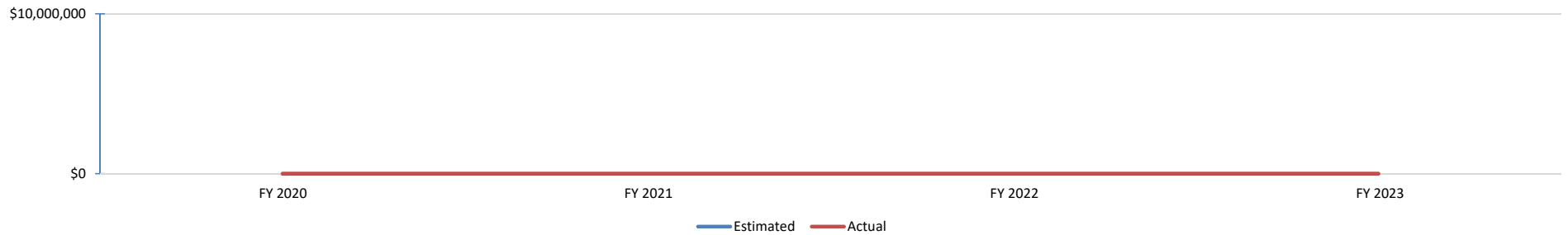
**BENEFIT: COST ANALYSIS (includes only state revenue impacts)**

|                          | FY 2021<br>ACTIVITY | Other Fiscal Period<br>(indicated time period) | Derivation of Benefits: |
|--------------------------|---------------------|--|-------------------------|
| BENEFITS                 |                     |  |                         |
| Direct Fiscal Benefits   |                     |  |                         |
| Indirect Fiscal Benefits |                     |  |                         |
| Total                    | \$0                 | \$0  |                         |
| COSTS                    |                     |  |                         |
| Direct Fiscal Costs      |                     |  |                         |
| Indirect Fiscal Costs    |                     |  |                         |
| Total                    | \$0                 | \$0  |                         |
| BENEFIT: COST            | #DIV/0!             | #DIV/0!  |                         |

**Other Benefits:**

### PERFORMANCE MEASURE(S)

## Private Investment



**Comments on Performance Measure:** Private investment = CC tax credits leveraged (Total Contributions - Total Credits Issued)



# FAMILY DEVELOPMENT ACCOUNT TAX CREDIT PROGRAM

## PURPOSE

This program promotes self-sufficiency for low-income Missourians through a matched savings program.

## AUTHORIZATION

Sections 208.750 to 208.775, RSMo

## ELIGIBLE AREAS

Statewide

## ELIGIBLE APPLICANTS

A community-based organization formed under Chapter 352, RSMo or any non-profit corporation formed under Chapter 355, RSMo.

## ELIGIBILITY CRITERIA

The Department of Economic Development (DED) issues state tax credits to an eligible taxpayer who donates money to an organization approved to administer a Family Development Account (FDA) project.

Organizations approved to administer a Family Development Account project recruit low-income Missourians to participate in a matched savings program to help pay for:

- Education at an accredited institution of higher learning;
- Job training at an accredited or licensed training program;
- Purchase of a primary residence;
- Major repairs or improvements to a primary residence; or
- Start-up capitalization of a small business.

## PROGRAM BENEFITS/ELIGIBLE USES

This tax credit can be applied to:

- Ch. 143 – Income tax, excluding withholding tax
- Ch. 147 – Corporate franchise tax
- Ch. 148 –
  - Bank Tax
  - Insurance Premium Tax
  - Other Financial Institution Tax
- Ch. 153 – Express Companies Tax

*This credit has no special attributes. It must be applied to tax liability for the year it was earned.*

## FUNDING LIMITS

- The total tax credits available for any fiscal year are \$300,000.
- An organization applying for one or two years may request up to \$100,000 in tax credits.
- The tax credit is for 50% of the amount of the contribution, not to exceed \$25,000 (a \$50,000 contribution) per contributor.

## APPLICATION/APPROVAL PROCEDURE

Applications from eligible organizations may be submitted to the FDA program at any time. Applications will be reviewed in the order they are received. Every effort is made to notify organizations of a tax credit award within 60 days from receipt of the application.

## REPORTING REQUIREMENTS

Biannual reports, final report, final audit for projects using \$25,000 or more in tax credits, and 1099 reporting.

## CONTACT

**Missouri Department of Economic Development**  
**Division of Business and Community Solutions**  
**Business and Community Finance Team**

301 West High Street | Room 720 | P.O. Box 118

Jefferson City, MO 65102

Phone: 573-751-4539 | Fax: 573-522-4322

community@ded.mo.gov | www.ded.mo.gov

## TAX CREDIT ANALYSIS

| <b>Program Name:</b> Family Development Account (FDA)  |                       |  |  |                               |                            |                              |                    |         |                      |         |         |         |                   |     |          |          |     |     |               |          |         |     |          |          |                 |          |          |     |          |          |
|--|-----------------------|--|--|-------------------------------|----------------------------|------------------------------|--------------------|---------|----------------------|---------|---------|---------|-------------------|-----|----------|----------|-----|-----|---------------|----------|---------|-----|----------|----------|-----------------|----------|----------|-----|----------|----------|
| <b>Department:</b> Economic Development  |                       | <b>Contact Name &amp; No.:</b> Daniel Epler (573) 751-5798 |  |                               |                            | <b>Date:</b> January 2022    |                    |         |                      |         |         |         |                   |     |          |          |     |     |               |          |         |     |          |          |                 |          |          |     |          |          |
| <b>Program Category:</b> Community Development   |                       |  | <b>Type:</b> Tax Credit <u>X</u> Other (specify) _____   |                               |                            |                              |                    |         |                      |         |         |         |                   |     |          |          |     |     |               |          |         |     |          |          |                 |          |          |     |          |          |
| <b>Statutory Authority:</b> Sections 208.750-208.775, RSMo   |                       |  | <b>Applicable Taxes:</b> Income Tax; Corporate Franchise; Bank Tax; Insurance Premium Tax; Other financial institutions tax; Express Company Tax |                               |                            |                              |                    |         |                      |         |         |         |                   |     |          |          |     |     |               |          |         |     |          |          |                 |          |          |     |          |          |
| <b>Date of Origin:</b> 1998  |                       |  |  |                               |                            |                              |                    |         |                      |         |         |         |                   |     |          |          |     |     |               |          |         |     |          |          |                 |          |          |     |          |          |
| <b>Program Description and Eligibility Requirements:</b><br>Promotes self-sufficiency through asset development for low-income persons through a matched savings program. Individuals, businesses and corporations having tax liability in Missouri are eligible to receive tax credits for qualified donations to approved FDA projects.  |                       |  |  |                               |                            |                              |                    |         |                      |         |         |         |                   |     |          |          |     |     |               |          |         |     |          |          |                 |          |          |     |          |          |
| <b>Explanation of How Award is Computed:</b> <table style="width: 100%; border: none;"> <tr> <td style="border: none; text-align: right;"><b>Entitlement</b></td> <td style="border: 1px solid black; width: 50px; text-align: center;">No</td> <td style="border: none; text-align: right;"><b>Discretionary</b></td> <td style="border: 1px solid black; width: 50px; text-align: center;">Yes</td> <td colspan="3" style="border: none;"></td> </tr> </table> <p>Tax credits are provided to a contributor (based on 50% of the contribution) that donates to an approved organization administering the Family Development Account project. The matched savings fund can be used by the low-income persons for education, job training, purchase or rehabilitation of primary residence, or start-up capital for small business.</p> |                       |  |  |                               |                            |                              | <b>Entitlement</b> | No      | <b>Discretionary</b> | Yes     |         |         |                   |     |          |          |     |     |               |          |         |     |          |          |                 |          |          |     |          |          |
| <b>Entitlement</b>   | No                    | <b>Discretionary</b>                                       | Yes  |                               |                            |                              |                    |         |                      |         |         |         |                   |     |          |          |     |     |               |          |         |     |          |          |                 |          |          |     |          |          |
| <b>Program Cap:</b> Cumulative \$ _____ (remainder of cumulative cap) \$ _____ Annual <u>\$300,000</u> None _____<br><b>Explanation of cap:</b><br>\$300,000 in tax credits are awarded each fiscal year on an open cycle.   |                       |  |  |                               |                            |                              |                    |         |                      |         |         |         |                   |     |          |          |     |     |               |          |         |     |          |          |                 |          |          |     |          |          |
| <b>Explanation of Expiration of Authority:</b>   |                       |  |  |                               |                            |                              |                    |         |                      |         |         |         |                   |     |          |          |     |     |               |          |         |     |          |          |                 |          |          |     |          |          |
| <b>Specific Provisions:</b> (if applicable)<br>Carry forward <span style="border: 1px solid black; padding: 2px 10px;">n/a</span> Carry Back <span style="border: 1px solid black; padding: 2px 10px;">n/a</span> Refundable <span style="border: 1px solid black; padding: 2px 10px;">No</span> Sellable/Assignable <span style="border: 1px solid black; padding: 2px 10px;">No</span> Additional Federal Deductions Available <span style="border: 1px solid black; padding: 2px 10px;">No</span>   |                       |  |  |                               |                            |                              |                    |         |                      |         |         |         |                   |     |          |          |     |     |               |          |         |     |          |          |                 |          |          |     |          |          |
| <b>Comments on Specific Provisions:</b>  |                       |  |  |                               |                            |                              |                    |         |                      |         |         |         |                   |     |          |          |     |     |               |          |         |     |          |          |                 |          |          |     |          |          |
|  | <b>FY 2019 ACTUAL</b> | <b>FY 2020 ACTUAL</b>                                      | <b>FY 2021 ACTUAL</b>  | <b>FY 2022 (year to date)</b> | <b>FY 2022 (Full Year)</b> | <b>FY 2023 (Budget Year)</b> |                    |         |                      |         |         |         |                   |     |          |          |     |     |               |          |         |     |          |          |                 |          |          |     |          |          |
| Certificates Issued (#)  | 10                    | 2  | 0  | 0                             | 6                          | 6                            |                    |         |                      |         |         |         |                   |     |          |          |     |     |               |          |         |     |          |          |                 |          |          |     |          |          |
| Projects/Participants (#)  | 0                     | 0  | 0  | 0                             | 1                          | 1                            |                    |         |                      |         |         |         |                   |     |          |          |     |     |               |          |         |     |          |          |                 |          |          |     |          |          |
| Amount Authorized  | \$0                   | \$0  | \$0  | \$0                           | \$50,000                   | \$50,000                     |                    |         |                      |         |         |         |                   |     |          |          |     |     |               |          |         |     |          |          |                 |          |          |     |          |          |
| Amount Issued  | \$69,894              | \$8,414  | \$0  | \$0                           | \$29,077                   | \$29,077                     |                    |         |                      |         |         |         |                   |     |          |          |     |     |               |          |         |     |          |          |                 |          |          |     |          |          |
| Amount Redeemed  | \$46,816              | \$33,801   | \$0  | \$0                           | \$27,706                   | \$27,706                     |                    |         |                      |         |         |         |                   |     |          |          |     |     |               |          |         |     |          |          |                 |          |          |     |          |          |
| FY 2021 EST. Amount Outstanding \$0 FY 2021 EST. Amount Authorized but Unissued \$0  |                       |  |  |                               |                            |                              |                    |         |                      |         |         |         |                   |     |          |          |     |     |               |          |         |     |          |          |                 |          |          |     |          |          |
| <b>HISTORICAL AND PROJECTED INFORMATION</b>  |                       |  |  |                               |                            |                              |                    |         |                      |         |         |         |                   |     |          |          |     |     |               |          |         |     |          |          |                 |          |          |     |          |          |
| <table border="1" style="margin-top: 10px; width: 100%; border-collapse: collapse;"> <caption>Historical and Projected Information Data</caption> <thead> <tr> <th>Category</th> <th>FY 2019</th> <th>FY 2020</th> <th>FY 2021</th> <th>FY 2022</th> <th>FY 2023</th> </tr> </thead> <tbody> <tr> <td>Amount Authorized</td> <td>\$0</td> <td>\$50,000</td> <td>\$50,000</td> <td>\$0</td> <td>\$0</td> </tr> <tr> <td>Amount Issued</td> <td>\$69,894</td> <td>\$8,414</td> <td>\$0</td> <td>\$29,077</td> <td>\$29,077</td> </tr> <tr> <td>Amount Redeemed</td> <td>\$46,816</td> <td>\$33,801</td> <td>\$0</td> <td>\$27,706</td> <td>\$27,706</td> </tr> </tbody> </table>   |                       |  |  |                               |                            |                              | Category           | FY 2019 | FY 2020              | FY 2021 | FY 2022 | FY 2023 | Amount Authorized | \$0 | \$50,000 | \$50,000 | \$0 | \$0 | Amount Issued | \$69,894 | \$8,414 | \$0 | \$29,077 | \$29,077 | Amount Redeemed | \$46,816 | \$33,801 | \$0 | \$27,706 | \$27,706 |
| Category   | FY 2019               | FY 2020  | FY 2021  | FY 2022                       | FY 2023                    |                              |                    |         |                      |         |         |         |                   |     |          |          |     |     |               |          |         |     |          |          |                 |          |          |     |          |          |
| Amount Authorized  | \$0                   | \$50,000   | \$50,000   | \$0                           | \$0                        |                              |                    |         |                      |         |         |         |                   |     |          |          |     |     |               |          |         |     |          |          |                 |          |          |     |          |          |
| Amount Issued  | \$69,894              | \$8,414  | \$0  | \$29,077                      | \$29,077                   |                              |                    |         |                      |         |         |         |                   |     |          |          |     |     |               |          |         |     |          |          |                 |          |          |     |          |          |
| Amount Redeemed  | \$46,816              | \$33,801   | \$0  | \$27,706                      | \$27,706                   |                              |                    |         |                      |         |         |         |                   |     |          |          |     |     |               |          |         |     |          |          |                 |          |          |     |          |          |
| <b>Comments on Historical and Projected Information:</b>   |                       |  |  |                               |                            |                              |                    |         |                      |         |         |         |                   |     |          |          |     |     |               |          |         |     |          |          |                 |          |          |     |          |          |

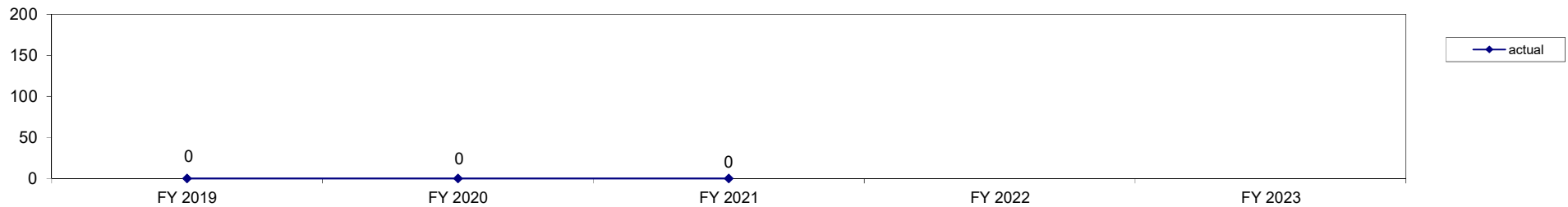
## TAX CREDIT ANALYSIS

|   |                             |  |  |
|---|-----------------------------|--|--|
| <b>Program Name:</b> Family Development Account (FDA)               |                             |  |  |
| <b>BENEFIT: COST ANALYSIS (includes only state revenue impacts)</b> |                             |  |  |
|   | <b>FY 2021<br/>ACTIVITY</b> | <b>Other Fiscal Period<br/>(indicated time period)</b> | <b>Derivation of Benefits:</b><br><br>No new authorizations in FY2021 (following no authorizations in FY2020). Program was temporarily suspended due to COVID 19 pandemic. |
| <b>BENEFITS</b>   |                             |  |  |
| Direct Fiscal Benefits  |                             |  |  |
| Indirect Fiscal Benefits  |                             |  |  |
| <b>Total</b>  | \$0                         | \$0  |  |
| <b>COSTS</b>  |                             |  |  |
| Direct Fiscal Costs   |                             |  |  |
| Indirect Fiscal Costs   |                             |  |  |
| <b>Total</b>  | \$0                         | \$0  |  |
| <b>BENEFIT: COST</b>  | <b>#DIV/0!</b>              | <b>#DIV/0!</b>   |  |

**Other Benefits:**

### PERFORMANCE MEASURE(S)

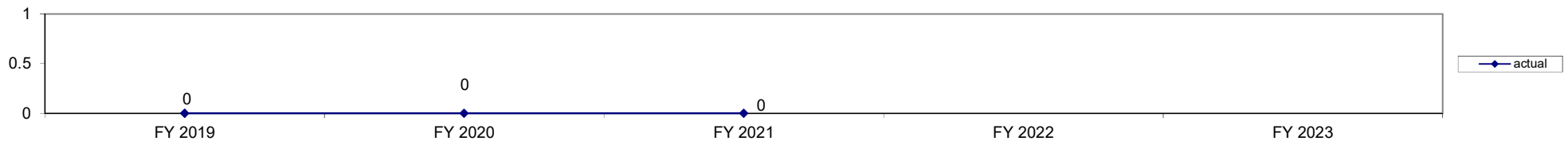
#### Purchase of New/Rehabbed Housing



**Comments on Performance Measure:**

FDA is a matched savings program. Enrollees have 2-5 years to save to buy a primary residence or rehab a primary residence. These are actual numbers of participants that have met their goals for projects that have Closed during this fiscal year. There were 5 years where there were no projects authorized, so there were no projects closed this year.

#### New Businesses to be Started



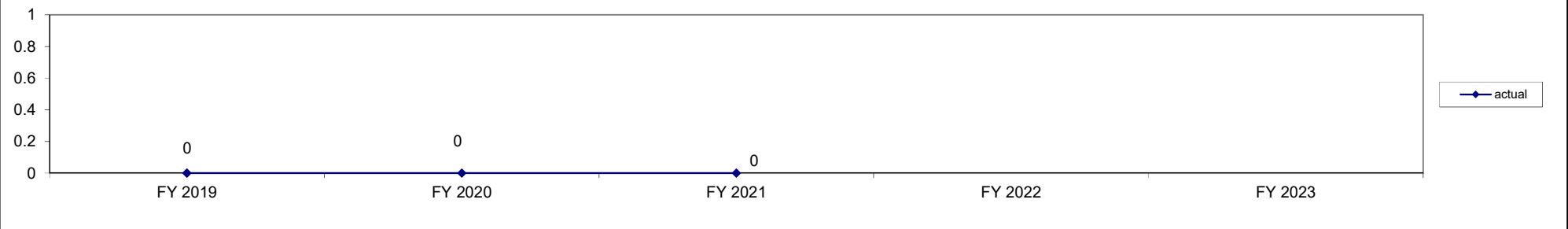
**Comments on Performance Measure:**

FDA is a matched savings program. Enrollees have 2-5 years to start a new business. These are actual numbers of participants that have met their goals for projects that have Closed during this fiscal year. There were 5 years where there were no projects authorized, so there were no projects closed this year.

**TAX CREDIT ANALYSIS**

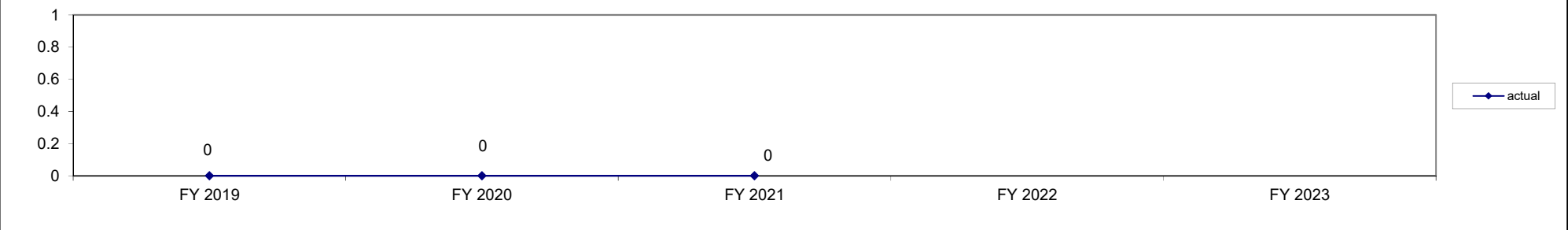
**Program Name:** Family Development Account (FDA)

**Higher Education/Job Training to be Obtained**



**Comments on Performance Measure:**  
FDA is a matched savings program. Enrollees have 2-5 years to save to go to college or participate in an accredited job training program. These are actual numbers of participants that have met their goals for projects that have Closed during this fiscal year. There were 5 years where there were no projects authorized, so there were no projects closed this year.

**Individuals Learning Life Skills**



**Comments on Performance Measure:**  
FDA is a matched savings program. Enrollees attend financial literacy courses. These are actual numbers of participants that have met their goals for projects that have Closed during this fiscal year. There were 5 years where there were no projects authorized, so there were no projects closed this year.



## NEIGHBORHOOD ASSISTANCE TAX CREDIT PROGRAM

The purpose of this program is to provide assistance to community-based organizations that enables them to implement community or neighborhood projects in the areas of community service, education, crime prevention, job training and physical revitalization.

### AUTHORIZATION

Sections 32.100 to 32.125, RSMo

### ELIGIBLE AREAS

Statewide.

### ELIGIBLE APPLICANTS

- Not-for-profit corporations organized under Chapter 355, RSMo;
- Organizations holding a 501(c)(3) ruling from the IRS; and
- Missouri businesses

### ELIGIBLE DONORS

Businesses only - individuals who operate a sole proprietorship, operate a farm, have rental property or have royalty income are also eligible, as well as a shareholder in an S-corporation, a partner in a Partnership or a member of a Limited Liability Corporation.

### ELIGIBILITY CRITERIA

The Department of Economic Development (DED) will issue 50% or 70% tax credits to an eligible taxpayer who makes a qualified contribution to an approved Neighborhood Assistance Program (NAP) project.

### PROGRAM BENEFITS/ELIGIBLE USES

This tax credit can be applied to:

- Ch. 143 – Income tax, excluding withholding tax
- Ch. 147 – Corporate franchise tax
- Ch. 148 –
- Bank Tax
- Insurance Premium Tax
- Other Financial Institution Tax
- Ch. 153 – Express Companies Tax

This credit's special attributes:

- Carry forward 5 years

### FUNDING LIMITS

The maximum amount of tax credits available is \$16 million per fiscal year. The tax credits are allocated at the discretion of DED and are subject to change:

- \$10 million in 50% credits
- \$ 6 million in 70% credits (reserved for projects in certain lower population or unincorporated areas).

Applicant organizations may request a maximum of \$250,000 in 50% tax credits per project or \$350,000 in 70% tax credits per project if the organization is located in a qualifying rural area.

### NAP PRIORITIES

Job training projects that: support the development of a well-trained, well-educated workforce; address the gap between available jobs and qualified workers; align training programs to the needs of the community and its businesses; and/or focus on high demand post-secondary job certifications.

Education projects that: prepare underserved youth for post-secondary opportunities; increase rates of adult literacy and high school equivalency attainment; and/or provide early childhood programming for low-income families.

Applicants submitting from geographic areas of the state previously underrepresented in NAP award share as compared to the number of individuals in poverty for the area. See the Guidelines for details.

### APPLICATION/APPROVAL PROCEDURE

The application process will open in Summer of 2021, for the FY2022 cycle. Please refer to our website for announcements, and to be added to our notifications list.

NAP staff is available to provide technical assistance to organizations making application to the program.

### REPORTING REQUIREMENTS

Biannual reports, final report, final audit for projects using \$25,000 or more in tax credits, and 1099 reporting.

### CONTACT

**Missouri Department of Economic Development**  
**Division of Business and Community Services**

301 West High Street, Room 720 | P.O. Box 118  
Jefferson City, MO | 65102

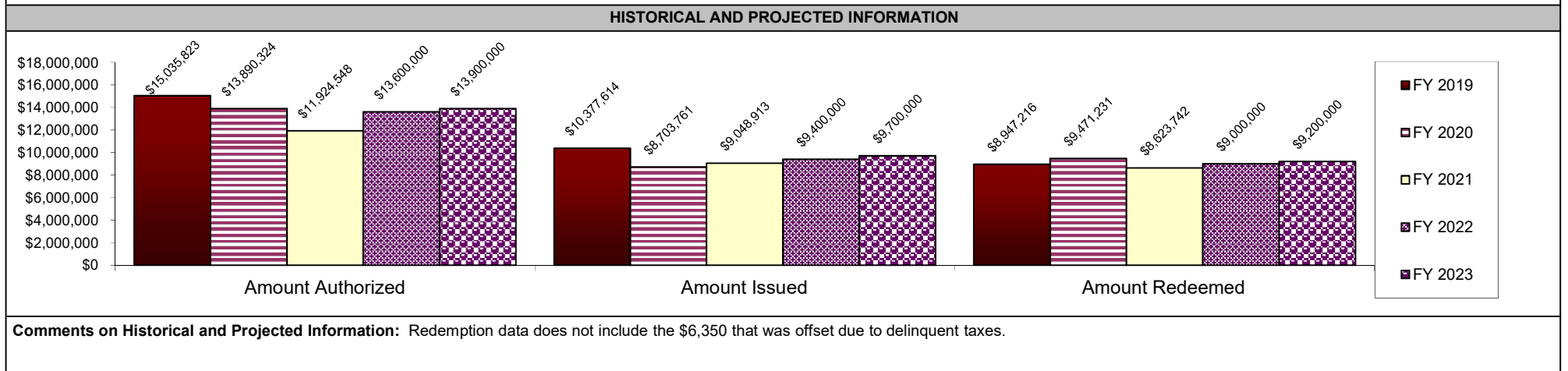
Phone: 573-751-4539 | Fax: 573-522-4322

E-mail: [community@ded.mo.gov](mailto:community@ded.mo.gov) | Web: [www.ded.mo.gov](http://www.ded.mo.gov)

## TAX CREDIT ANALYSIS

|   |  |                           |
|---|--|---------------------------|
| <b>Program Name:</b> Neighborhood Assistance Program (NAP)  |  |                           |
| <b>Department:</b> Economic Development   | <b>Contact Name &amp; No.:</b> Daniel Epler (573) 751-5798   | <b>Date:</b> January 2022 |
| <b>Program Category:</b> Community Development  | <b>Type:</b> Tax Credit <input checked="" type="checkbox"/> Other (specify) _____  |                           |
| <b>Statutory Authority:</b> Sections 32.100-32.125, RSMo  | <b>Applicable Taxes:</b> Income Tax; Corporate Franchise Tax; Bank Tax; Insurance Premium Tax; Other financial institutions tax; Express Company Tax |                           |
| <b>Date of Origin:</b> 1977   |  |                           |
| <b>Program Description and Eligibility Requirements:</b><br>Provides assistance to community-based organizations that enable them to implement community or neighborhood projects in the areas of community service, education, crime prevention, job training and physical revitalization.   |  |                           |
| <b>Explanation of How Award is Computed:</b> <b>Entitlement</b> <input type="checkbox"/> No <b>Discretionary</b> <input type="checkbox"/> Yes<br>Applications are reviewed on a competitive basis and awards made to nonprofits or Missouri businesses for 50% or 70% of the approved budget. |  |                           |
| <b>Program Cap:</b> Cumulative \$ _____ (remainder of cumulative cap) \$ _____ Annual <u>\$16 million</u> None _____<br><b>Explanation of cap:</b> Effective August 28, 2008, fiscal year cap was reduced from \$18 million to \$16 million.  |  |                           |

|  |   |   |   |   |                            |                              |
|--|---|---|---|---|----------------------------|------------------------------|
| <b>Explanation of Expiration of Authority:</b> |   |   |   |   |                            |                              |
| <b>Specific Provisions:</b> (if applicable)    |   |   |   |   |                            |                              |
| Carry forward <input type="checkbox"/> 5 years | Carry Back <input type="checkbox"/> n/a | Refundable <input type="checkbox"/> No      | Sellable/Assignable <input type="checkbox"/> No | Additional Federal Deductions Available <input type="checkbox"/> No |                            |                              |
| <b>Comments on Specific Provisions:</b>        |   |   |   |   |                            |                              |
|  | <b>FY 2019 ACTUAL</b>                   | <b>FY 2020 ACTUAL</b>                       | <b>FY 2021 ACTUAL</b>                           | <b>FY 2022 (year to date)</b>                                       | <b>FY 2022 (Full Year)</b> | <b>FY 2023 (Budget Year)</b> |
| Certificates Issued (#)                        | 1,546                                   | 1,432                                       | 1,240   | 333   | 1,400                      | 1,428                        |
| Projects/Participants (#)                      | 74                                      | 67  | 67  | 39  | 70                         | 72                           |
| Amount Authorized                              | \$15,035,823                            | \$13,890,324                                | \$11,924,548                                    | \$6,976,194   | \$13,600,000               | \$13,900,000                 |
| Amount Issued                                  | \$10,377,614                            | \$8,703,761                                 | \$9,048,913                                     | \$2,894,177   | \$9,400,000                | \$9,700,000                  |
| Amount Redeemed                                | \$8,947,216                             | \$9,471,231                                 | \$8,623,742                                     | \$3,814,407   | \$9,000,000                | \$9,200,000                  |
|  |   |   |   |   |                            |                              |
| FY 2021 EST. Amount Outstanding                | \$14,864,533                            | FY 2021 EST. Amount Authorized but Unissued |   | \$22,933,292  |                            |                              |



## TAX CREDIT ANALYSIS

**Program Name:** Neighborhood Assistance Program (NAP)

### BENEFIT: COST ANALYSIS (includes only state revenue impacts)

|                          | FY 2021<br>ACTIVITY | Other Fiscal Period<br>(10 years) | <b>Derivation of Benefits:</b><br>Investment: (a) \$15,182,950 in Construction spending in 2021.<br>Employment: N/A<br>Other Assumptions: (a) 3233 HS/GED/Skills Training graduates earning \$10,024,224 in additional annual income in 2021-2030.<br>Incentives/Credits: (a) \$11,924,548 in Neighborhood Assistance Program tax credits over years 2021-2026.<br>Impacts occur Statewide. All Values in Constant Dollars. Assumptions provided by DED. Estimated using REMI. |
|--------------------------|---------------------|-----------------------------------|--|
| <b>BENEFITS</b>          |                     |                                   |  |
| Direct Fiscal Benefits   | \$56,070            | \$164,119                         |  |
| Indirect Fiscal Benefits | \$888,809           | \$2,601,595                       |  |
| <b>Total</b>             | <b>\$944,879</b>    | <b>\$2,765,713</b>                |  |
| <b>COSTS</b>             |                     |                                   |  |
| Direct Fiscal Costs      | \$1,987,425         | \$11,356,213                      |  |
| Indirect Fiscal Costs    | \$0                 | \$0                               |  |
| <b>Total</b>             | <b>\$1,987,425</b>  | <b>\$11,356,213</b>               |  |
| <b>BENEFIT: COST</b>     | <b>0.48</b>         | <b>0.24</b>                       |  |

#### Other Benefits:

##### In FY-2021, every dollar of auth. program tax credits returns

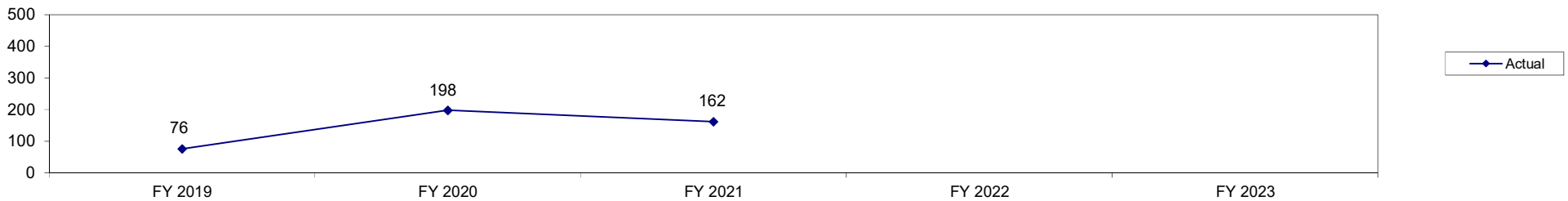
\$12.99 in new personal income totaling \$25.82 million  
 \$11.58 in new value-added/GSP totaling \$23.01 million  
 \$20.20 in new economic output totaling \$40.15 million

##### Over 10 YEARS, every dollar of auth. program tax credits returns

\$14.93 in new personal income totaling \$169.50 million  
 \$8.92 in new value-added/GSP totaling \$101.29 million  
 \$15.14 in new economic output totaling \$171.91 million

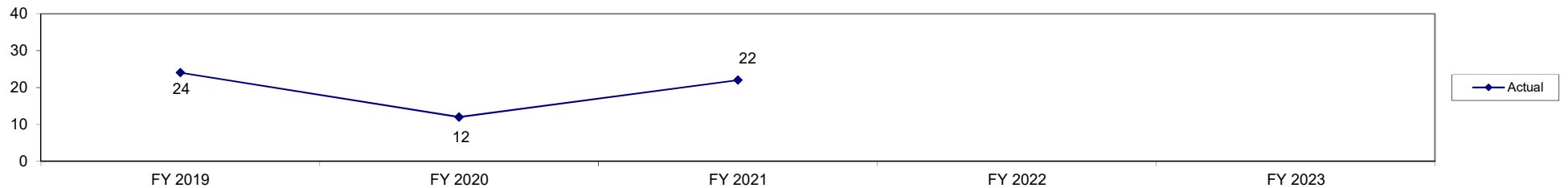
### PERFORMANCE MEASURE(S)

#### Permanent New/Retained Jobs



**Comments on Performance Measure:** Numbers are dependent on the type of projects that were "Closed" out this fiscal year.

#### New/Renovated Facilities

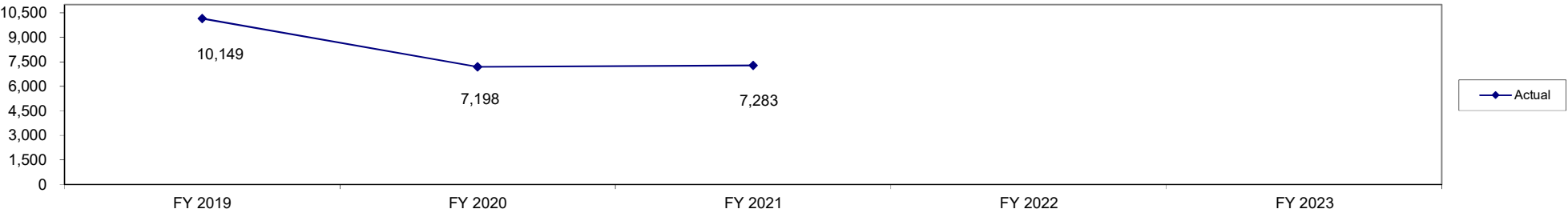


**Comments on Performance Measure:** Numbers are dependent on the type of projects that were "Closed" out this fiscal year. Numbers are dependent on the type of projects that are funded each year.

TAX CREDIT ANALYSIS

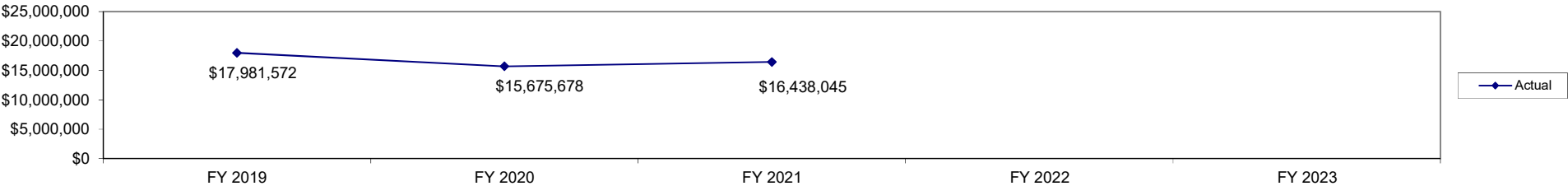
Program Name: Neighborhood Assistance Program (NAP)

Individuals Learning Life Skills



Comments on Performance Measure: Includes individuals earning GEDs, job training and other skills necessary to become productive citizens. Numbers are dependent on the type of projects that were "Closed" out this fiscal year.

Private Investment



Comments on Performance Measure: NAP tax credits leveraged (Total Contributions - Total Credits Issued)



## SMALL BUSINESS INCUBATOR TAX CREDIT PROGRAM

To generate private funds to be used to establish a “protective business environment” (incubator) in which a number of small businesses can collectively operate, fostering growth and development during a business’ start-up period.

### AUTHORIZATION

Section 620.495, RSMo

### ELIGIBLE AREAS

Statewide

### ELIGIBLE APPLICANTS

Missouri taxpayers who make a contribution to an approved incubator sponsor in Missouri.

### PROGRAM BENEFITS/ELIGIBLES

This 50% tax credit can be applied to:

- Ch. 143 – Income tax, excluding withholding tax
- Ch. 147 – Corporate franchise tax
- Ch. 148
  - Bank Tax
  - Insurance Premium Tax
  - Other Financial Institution Tax

This credit's special attributes:

- Carry forward 5 years
- Sellable or transferable (75¢ minimum)

### FUNDING LIMITS

The overall maximum amount of tax credits that can be authorized under this program in any one calendar year is \$500,000.

### APPLICATION/APPROVAL PROCEDURE

#### Sponsor

An incubator sponsor must apply to the Department of Economic Development for designation as an approved incubator. DED reviews and approves applications based on the following criteria:

- Ability of the sponsor to carry out the provisions of 620.495, RSMo;
- Economic impact of the incubator on the community;
- Conformance with area-wide and local economic development plans, if they exist; and
- Location of the incubator (encouraging geographic distribution of incubators throughout the state).

#### Contributor

Any taxpayer, including non-for-profit corporations, except those that benefit directly from General Revenue such as public universities, may be a contributor. Applications can be submitted to DED year-round, but decisions will be made on a first-come basis, based on the annual amount of tax credits allocated to an approved incubator.

### CONTACT

**Missouri Department of Economic Development**

Division of Business and Community Services

301 West High Street, Room 770 • P.O. Box 118

Jefferson City, MO • 65102

Phone: 573-751-4539 • Fax: 573-522-4322

E-mail: [dedfin@ded.mo.gov](mailto:dedfin@ded.mo.gov) • Web: [www.ded.mo.gov](http://www.ded.mo.gov)

## TAX CREDIT ANALYSIS

|  |   |                           |
|--|---|---------------------------|
| <b>Program Name:</b> Small Business Incubator Tax Credit Program |   |                           |
| <b>Department:</b> Economic Development                          | <b>Contact Name &amp; No.:</b> Daniel Epler (573) 751-5798  | <b>Date:</b> January 2022 |
| <b>Program Category:</b> Entrepreneurial                         | <b>Type:</b> Tax Credit <input checked="" type="checkbox"/> Other (specify) _____   |                           |
| <b>Statutory Authority:</b> 620.495, RSMo                        | <b>Applicable Taxes:</b> Income tax, Corporate franchise tax, Bank tax, Insurance premium tax, and other financial institutions tax |                           |

**Date of Origin:** 1989

**Program Description and Eligibility Requirements:**  
A taxpayer who makes a contribution to an approved incubator sponsor or fund can claim a state tax credit for a percentage of such contribution.

**Explanation of How Award is Computed:** Entitlement ☐ No ☐ Discretionary ☐ Yes ☐  
The tax credit is equal to 50% of the contribution.

**Program Cap:** Cumulative \$ \_\_\_\_\_ (remainder of cumulative cap) \$ \_\_\_\_\_ Annual \$500,000 None

**Explanation of Cap:** The \$500,000 annual cap is allocated each calendar year to approved incubators requesting funds based on need, competition and the appropriate use of contributions.

**Explanation of Expiration of Authority:**

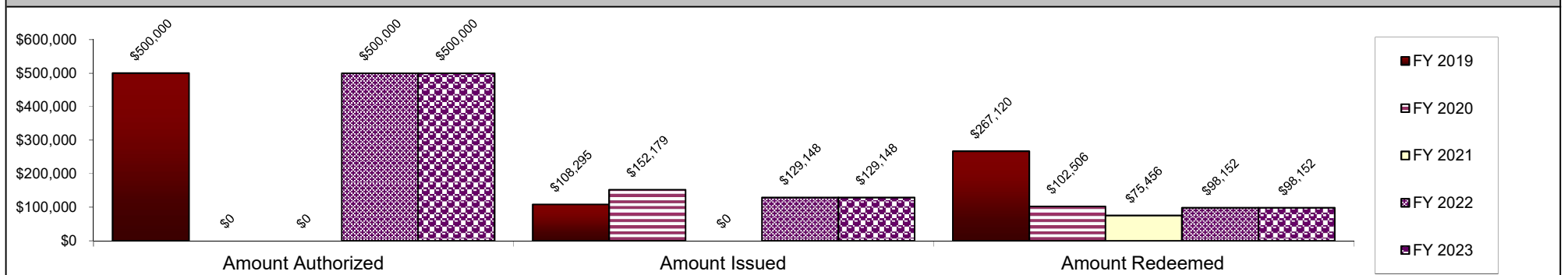
**Specific Provisions:** (if applicable)  
Carry forward  Carry Back  Refundable  Sellable/Assignable  Additional Federal Deductions Available

**Comments on Specific Provisions:** 75 percent of par value.

|                           | FY 2019 ACTUAL | FY 2020 ACTUAL | FY 2021 ACTUAL | FY 2022 (year to date) | FY 2022 (Full Year) | FY 2023 (Budget Year) |
|---------------------------|----------------|----------------|----------------|------------------------|---------------------|-----------------------|
| Certificates Issued (#)   | 41             | 30             | 0              | 0                      | 38                  | 38                    |
| Projects/Participants (#) | 8              | 0              | 0              | 0                      | 8                   | 8                     |
| Amount Authorized         | \$500,000      | \$0            | \$0            | \$0                    | \$500,000           | \$500,000             |
| Amount Issued             | \$108,295      | \$152,179      | \$0            | \$0                    | \$129,148           | \$129,148             |
| Amount Redeemed           | \$267,120      | \$102,506      | \$75,456       | \$30,000               | \$98,152            | \$98,152              |

|   |   |
|---|---|
| FY 2021 EST. Amount Outstanding \$120,776 | FY 2021 EST. Amount Authorized but Unissued \$0 |
|---|---|

### HISTORICAL AND PROJECTED INFORMATION



**Comments on Historical and Projected Information:** Projections cannot be based on previous year averages because no credits were authorized or issued in FY21 (no authorizations in FY2020 either) due to the COVID pandemic. Redemption projections in particular will be decreased.

## TAX CREDIT ANALYSIS

**Program Name:** Small Business Incubator Tax Credit Program

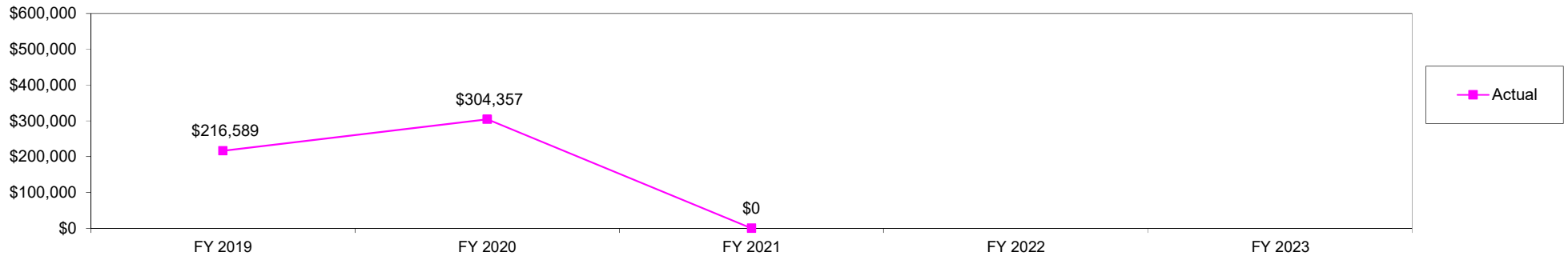
### BENEFIT: COST ANALYSIS (includes only state revenue impacts)

|                          | FY 2021<br>ACTIVITY | Other Fiscal Period<br>(indicated time period) | Derivation of Benefits:<br><br>No new authorizations in FY2021 (following none in FY2020). Program temporarily suspended due to COVID 19 pandemic. |
|--------------------------|---------------------|--|--|
| <b>BENEFITS</b>          |                     |  |  |
| Direct Fiscal Benefits   |                     |  |  |
| Indirect Fiscal Benefits |                     |  |  |
| <b>Total</b>             | \$0                 | \$0  |  |
| <b>COSTS</b>             |                     |  |  |
| Direct Fiscal Costs      |                     |  |  |
| Indirect Fiscal Costs    |                     |  |  |
| <b>Total</b>             | \$0                 | \$0  |  |
| <b>BENEFIT: COST</b>     | <b>#DIV/0!</b>      | <b>#DIV/0!</b>                                 |  |

Other Benefits:

### PERFORMANCE MEASURE(S)

#### Amount of Private Investment



Comments on Performance Measure:



# YOUTH OPPORTUNITIES TAX CREDIT PROGRAM

To broaden and strengthen opportunities for positive development and participation in community life for youth,

## AUTHORIZATION

Sections 135.460 and 620.1100 to 620.1103, RSMo

## ELIGIBLE AREAS

Statewide

## ELIGIBLE APPLICANTS

- Non-Profit Organizations
- Schools\*
- Faith-based Organizations\*
- Local Governments
- Missouri Businesses
- Public or Private Entities

\*Schools and faith-based organizations must meet certain criteria.

## ELIGIBILITY CRITERIA

Tax credits are allocated to organizations administering positive youth development or crime prevention projects that have been approved through the application process. Approved organizations secure contributions from their community, and the contributor receives tax credits for those contributions. There are 50% tax credits for monetary contributions and wages paid to youth in an approved internship, apprenticeship or employment project, and 30% tax credits for property or equipment contributions used specifically for the project.

Eligible Projects include:

- Degree Completion
- Internship/Apprenticeship
- Youth Clubs/Associations
- Adopt-A-School
- Mentor/Role Model
- Substance Abuse Prevention
- Violence Prevention
- Youth Activity Centers
- Conflict Resolution
- Employment
- Counseling

## PROGRAM BENEFITS/ELIGIBLE USES

This tax credit can be applied to:

- Ch. 143 – Income tax, excluding withholding tax
- Ch. 147 – Corporate franchise tax
- Ch. 148 –
- Bank Tax
- Insurance Premium Tax
- Other Financial Institution Tax
- Ch. 153 – Express Companies Tax This credit's special attribute:
- Carry forward 5 years

## FUNDING LIMITS

- The Youth Opportunities Program has up to \$6 million in tax credits to award annually.
- Each project is limited to \$200,000 in tax credits.
- Each contributor is limited to \$200,000 in tax credits annually.

## REPORTING REQUIREMENTS

Biannual reports, final report and final audit for projects using \$25,000 or more in tax credits

## CONTACT

**Missouri Department of Economic Development**  
**Division of Business and Community Solutions**  
301 West High Street, Room 720 | P.O. Box 118  
Jefferson City, MO | 65102  
Phone: 573-751-4539 | Fax: 573-522-4322  
E-mail: [community@ded.mo.gov](mailto:community@ded.mo.gov)  
Web: [www.ded.mo.gov](http://www.ded.mo.gov)

## TAX CREDIT ANALYSIS

### TAX CREDIT ANALYSIS, FY 2023 BUDGET SUBMISSION

|  |                       |  |  |   |                            |                              |
|--|-----------------------|--|--|---|----------------------------|------------------------------|
| <b>Program Name:</b> Youth Opportunities Program (YOP)   |                       |  |  |   |                            |                              |
| <b>Department:</b> Economic Development  |                       | <b>Contact Name &amp; No.:</b> Daniel Epler (573) 751-5798 |  |   |                            | <b>Date:</b> January 2022    |
| <b>Program Category:</b> Domestic and Social   |                       |  | <b>Type:</b> Tax Credit <input checked="" type="checkbox"/> Other (specify) _____  |   |                            |                              |
| <b>Statutory Authority:</b> 135.460 and 620.1100-620.1103, RSMo  |                       |  | <b>Applicable Taxes:</b> Corporate franchise tax, Bank tax, Insurance premium tax, Other financial institutions tax, Express companies tax |   |                            |                              |
| <b>Date of Origin:</b> 1995  |                       |  |  |   |                            |                              |
| <b>Program Description and Eligibility Requirements:</b><br>This is a contribution tax credit program which broadens and strengthens opportunities for positive development and participation in community life for youth and discourages criminal and violent behavior. Individuals, businesses and corporations having tax liability in Missouri are eligible to receive tax credits for qualified donations to approved YOP projects. |                       |  |  |   |                            |                              |
| <b>Explanation of How Award is Computed:</b> Entitlement <input type="checkbox"/> No <input type="checkbox"/> Discretionary <input type="checkbox"/> Yes <input type="checkbox"/><br>Credits are awarded on an open cycle and are awarded at 50% of the approved project budget.   |                       |  |  |   |                            |                              |
| <b>Program Cap:</b> Cumulative \$ _____ (remainder of cumulative cap) \$ _____ Annual \$ <u>6 million</u> None _____<br><b>Explanation of cap:</b><br>The cap is on a calendar year. The numbers below are reported on a fiscal year.  |                       |  |  |   |                            |                              |
| <b>Explanation of Expiration of Authority:</b>   |                       |  |  |   |                            |                              |
| <b>Specific Provisions:</b> (if applicable)<br>Carry forward <input type="text" value="5 years"/> Carry Back <input type="text" value="n/a"/> Refundable <input type="text" value="No"/> Sellable/Assignable <input type="text" value="No"/> Additional Federal Deductions Available <input type="text" value="No"/>   |                       |  |  |   |                            |                              |
| <b>Comments on Specific Provisions:</b>  |                       |  |  |   |                            |                              |
|  | <b>FY 2019 ACTUAL</b> | <b>FY 2020 ACTUAL</b>                                      | <b>FY 2021 ACTUAL</b>  | <b>FY 2022 (year to date)</b>               | <b>FY 2022 (Full Year)</b> | <b>FY 2023 (Budget Year)</b> |
| Certificates Issued (#)  | 2,173                 | 1,511  | 760  | 291   | 2,117                      | 2,117                        |
| Projects/Participants (#)  | 28                    | 7  | 33   | 3   | 34                         | 34                           |
| Amount Authorized  | \$5,169,666           | \$1,212,623  | \$5,288,870  | \$447,038                                   | 6,000,000                  | 6,000,000                    |
| Amount Issued  | \$5,822,539           | \$4,086,771  | 1,983,794  | \$899,924                                   | 5,800,000                  | 5,800,000                    |
| Amount Redeemed  | \$4,040,658           | \$5,217,306  | 4,084,410  | \$700,134                                   | 4,400,000                  | 4,400,000                    |
| FY 2021 EST. Amount Outstanding  |                       | \$7,277,025  |  | FY 2021 EST. Amount Authorized but Unissued |                            | \$7,106,584                  |

**HISTORICAL AND PROJECTED INFORMATION**

| Category          | FY 2019     | FY 2020     | FY 2021     | FY 2022     | FY 2023     |
|-------------------|-------------|-------------|-------------|-------------|-------------|
| Amount Authorized | \$5,169,666 | \$1,212,623 | \$5,288,870 | \$6,000,000 | \$6,000,000 |
| Amount Issued     | \$5,822,539 | \$4,086,771 | \$1,983,794 | \$5,800,000 | \$5,800,000 |
| Amount Redeemed   | \$4,040,658 | \$5,217,306 | \$4,084,410 | \$4,400,000 | \$4,400,000 |

**Comments on Historical and Projected Information:** Redemption data does not include the \$704 that was offset due to delinquent taxes. Projections cannot be based on previous 3 year averages because CY2020 cycle was suspended due to the COVID pandemic. Redemption projections in particular will be decreased.

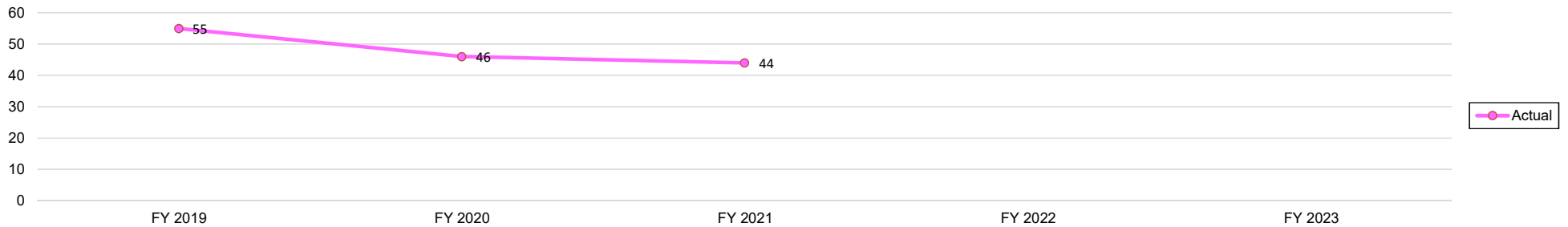
## TAX CREDIT ANALYSIS

|   |                             |   |  |
|---|-----------------------------|---|--|
| <b>Program Name:</b> Youth Opportunities Program (YOP)              |                             |   |  |
| <b>BENEFIT: COST ANALYSIS (includes only state revenue impacts)</b> |                             |   |  |
|   | <b>FY 2021<br/>ACTIVITY</b> | <b>Other Fiscal Period<br/>(10 years)</b> | <b>Derivation of Benefits:</b><br>Investment: (a) \$1,304,215 in Construction spending in 2021.<br>Employment: N/A<br>Other Assumptions: (a) 1007 HS/GED/Skill Training graduates earning \$2,585,472 in additional annual income over years 2021-2030.<br>Incentives/Credits: (a) \$5,288,870 in Youth Opportunities Program over years 2021-2026.<br>Impacts occur Statewide. All Values in Constant Dollars. Assumptions provided by DED. Estimated using REMI. |
| <b>BENEFITS</b>   |                             |   |  |
| Direct Fiscal Benefits  | \$2,850                     | \$13,416                                  |  |
| Indirect Fiscal Benefits  | \$127,441                   | \$599,807                                 |  |
| <b>Total</b>  | \$130,292                   | \$613,223                                 |  |
| <b>COSTS</b>  |                             |   |  |
| Direct Fiscal Costs   | \$881,478                   | \$5,036,798                               |  |
| Indirect Fiscal Costs   | \$0                         | \$0                                       |  |
| <b>Total</b>  | \$881,478                   | \$5,036,798                               |  |
| <b>BENEFIT: COST</b>  | <b>0.15</b>                 | <b>0.12</b>                               |  |

|  |                |   |                 |
|--|----------------|---|-----------------|
| <b>Other Benefits:</b>   |                |   |                 |
| <b>In FY-2021, every dollar of auth. program tax credits returns</b> |                | <b>Over 10 YEARS, every dollar of auth. program tax credits returns</b> |                 |
| \$5.51 in new personal income totaling                               | \$4.86 million | \$8.20 in new personal income totaling                                  | \$41.32 million |
| \$3.94 in new value-added/GSP totaling                               | \$3.47 million | \$4.70 in new value-added/GSP totaling                                  | \$23.68 million |
| \$6.80 in new economic output totaling                               | \$6.00 million | \$7.95 in new economic output totaling                                  | \$40.05 million |

### PERFORMANCE MEASURE(S)

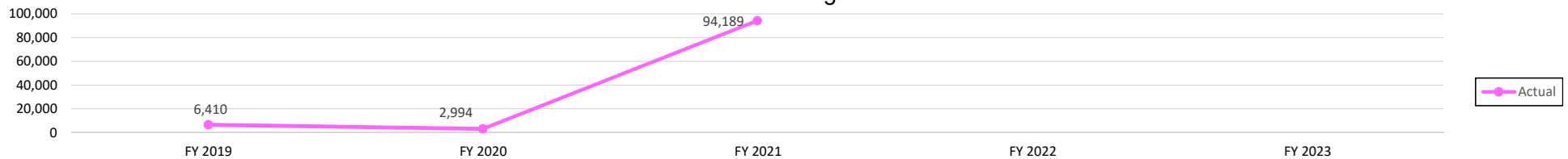
#### Permanent New/Retained Jobs



#### Comments on Performance Measure:

Numbers are dependent on the types of projects that were "Closed" out this fiscal year.

#### Number of Youth Learning Life Skills



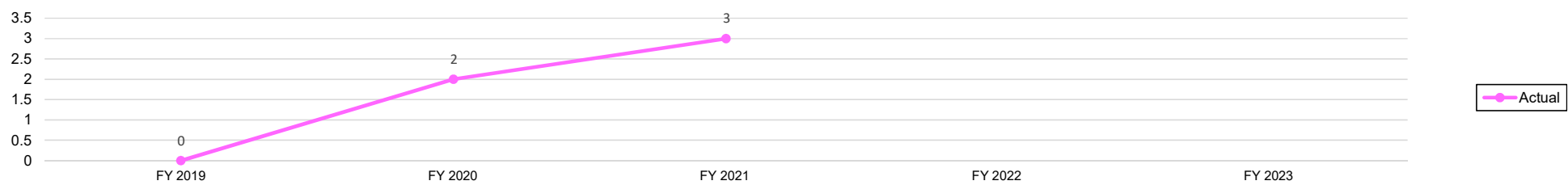
#### Comments on Performance Measure:

Includes individuals earning GEDs, job training and other skills necessary to become productive citizens. Numbers are dependent on the type of projects that were "Closed" out this fiscal year.

TAX CREDIT ANALYSIS

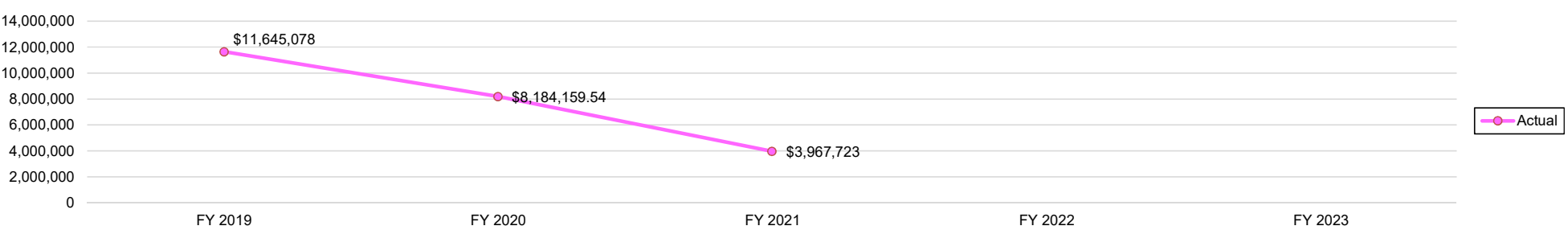
Program Name: Youth Opportunities Program (YOP)

Number of New/Renovated Facilities



Comments on Performance Measure:  
Numbers are dependent on the type of projects that were "Closed" out this fiscal year.

Amount of Private Investment



Comments on Performance Measure:  
Total Private Contributions going into approved projects.

# Cap Exhausted/Sunset/Eliminated by Statute

|   |     |
|---|-----|
| CAPCO Program (Certified Capital Company) - <i>Cumulative Cap Exhausted</i> .....                     | 88  |
| Development Tax Credit - <i>Replaced by Missouri Works Program, except for Current Projects</i> ..... | 91  |
| Film Production Tax Credit Program - <i>Sunset</i> .....  | 95  |
| Land Assemblage Tax Credit Program - <i>Sunset</i> .....  | 98  |
| New Markets Tax Credit Program - <i>Sunset</i> .....  | 101 |
| Rebuilding Communities - <i>Replaced by Missouri Works Program, except for Current Projects</i> ..... | 105 |

Listed below are programs no longer included in this book as the programs were eliminated by Statute and no longer have redemptions:

Brownfield Jobs and Investment

Dry Fire Hydrant Tax Credit Program

Enterprise Zone Tax Credit Benefit Program

Innovation Campus Tax Credit Program

Transportation Development Tax Credit



## CERTIFIED CAPITAL COMPANY PROGRAM (CAPCO)

### PURPOSE

Induce private investment into certified venture capital funds that invest in new or growing Missouri small businesses.

### AUTHORIZATION

Sections 135.500 to 135.529, RSMo  
Regulations: 4 CSR 80-7.010 to 7.040

### HOW THE PROGRAM WORKS

Private venture capital firms apply to the department for certification as a CAPCO. CAPCOs are allocated state tax credits to be given to insurance companies that invest in the CAPCO funds. At this point, all credits allowed under the law have been authorized. The credits can only be applied toward premium tax liability.

CAPCOs are required to make equity investments in eligible Missouri businesses according to a timetable set by law.

### ELIGIBLE AREAS

Eligible Missouri businesses can be located statewide for all funds except funds created through the "distressed community" allocation. These funds must be invested in businesses located in distressed communities; visit DED's website at [ded.mo.gov](http://ded.mo.gov).

### ELIGIBLE CAPCO INVESTMENTS

A CAPCO may invest in a "qualified Missouri business," which must:

- Be independently owned and operated;
- Be headquartered in Missouri;
- Employ less than 200 persons before the investment is made with at least 80% of them employed in Missouri;
- Be a small business concern that meets the requirements of the United States Small Business Administration qualification size standards for its venture capital program as defined in Section 13 CFR 121.801(c) of the Small Business Investment Act of 1958, as amended;
- Be in need of venture capital and unable to obtain conventional financing; and
- Derive its revenue primarily from:
  - Manufacturing, processing or assembling of products;
  - Conducting research and development; or
  - Providing services in interstate commerce, excluding retail, real estate, real estate development, insurance and professional services provided by accountants, lawyers or physicians (service businesses must demonstrate that more than 33% of its revenue would be from outside the state of Missouri).

CAPCO fund investments can be in the form of equity investments, unsecured loans or hybrid investments.

CAPCO funds invested in the business must be used for new capital improvements, research and development and certain working capital expenses. All such funds must be used in Missouri.

The maximum amount a CAPCO may invest in one Missouri business is 15% of the CAPCO's certified capital.

Funding decisions are made by each CAPCO based on its evaluation.

### AWARDED CAPCOs

DED does not have the authority to require a CAPCO to fund a project. Small businesses interested in receiving funding through this program may contact each CAPCO directly:

Advantage Capital Missouri Partners\*

Pierre LaCade Center  
7733 Forsyth Blvd.  
St. Louis, MO 63105  
(314) 725-0800

BOME Investors/Gateway Associates\*

8000 Maryland Avenue, Suite 1190  
St. Louis, MO 63105  
(314) 721-5707

CAPCO Holdings, L.C.\*\*

300 West 11th Street  
Kansas City, MO 64105  
(816) 391-2040

CFB Emerging Business Fund  
11 South Meramec, Suite 1330  
St. Louis, MO 63105  
(314) 746-7427

Stifel; CAPCO, Inc.\*  
500 North Broadway  
Suite 1400  
St. Louis, MO 63102  
(314) 342-2118

\*Has a distressed community fund

\*\* Only a distressed community fund

### CONTACT

**Missouri Department of Economic Development**

Division of Business and Community Services

Business and Community Finance Team

301 West High Street • Room 770 • P.O. Box 118

Jefferson City • MO • 65102

Phone: 573-751-4539 • Fax: 573-522-4322

E-mail: [dedfin@ded.mo.gov](mailto:dedfin@ded.mo.gov) • Web: [ded.mo.gov](http://ded.mo.gov)

## TAX CREDIT ANALYSIS

|   |  |                    |   |                      |                             |                           |
|---|--|--------------------|---|----------------------|-----------------------------|---------------------------|
| <b>Program Name:</b> Certified Capital Companies (CAPCO)  |  |                    |   |                      |                             |                           |
| <b>Department:</b> Economic Development   |  |                    | <b>Contact Name &amp; No.:</b> Kristen Riggs (573) 751-3713 |                      |                             | <b>Date:</b> January 2022 |
| <b>Program Category:</b> Entrepreneurial  |  |                    | <b>Type:</b> Tax Credit <u>X</u> Other (specify) _____      |                      |                             |                           |
| <b>Statutory Authority:</b> 135.500 to 135.529, RSMo  |  |                    | <b>Applicable Taxes:</b> Insurance Premium Tax              |                      |                             |                           |
| <b>Date of Origin:</b> 1996   |  |                    |   |                      |                             |                           |
| <b>Program Description and Eligibility Requirements:</b><br>Insurance companies that invest in a certified CAPCO receive a tax credit.  |  |                    |   |                      |                             |                           |
| <b>Explanation of How Award is Computed:</b>  |  | <b>Entitlement</b> | <input type="checkbox"/> Yes                                | <b>Discretionary</b> | <input type="checkbox"/> No |                           |
| The tax credit is equal to 100% of the investment.  |  |                    |   |                      |                             |                           |
| <b>Program Cap:</b> Cumulative <u>\$140 million over ten years</u> (remainder of cumulative cap) \$ _____    Annual \$ _____    None  |  |                    |   |                      |                             |                           |
| <b>Explanation of cap:</b><br>The tax credits can be claimed at up to 10% of the authorized amount per year over a 10-year period.  |  |                    |   |                      |                             |                           |
| <b>Explanation of Expiration of Authority:</b>  |  |                    |   |                      |                             |                           |
| <b>Specific Provisions:</b> (if applicable)<br>Carry forward <input type="text" value="n/a"/> Carry Back <input type="text" value="n/a"/> Refundable <input type="text" value="No"/> Sellable/Assignable <input type="text" value="Yes"/> Additional Federal Deductions Available <input type="text" value="No"/> |  |                    |   |                      |                             |                           |
| <b>Comments on Specific Provisions:</b> Can carry forward tax credit until they are used.   |  |                    |   |                      |                             |                           |

|                           | FY 2019 ACTUAL           | FY 2020 ACTUAL | FY 2021 ACTUAL | FY 2022 (year to date) | FY 2022 (Full Year) | FY 2023 (Budget Year) |
|---------------------------|--------------------------|----------------|----------------|------------------------|---------------------|-----------------------|
| Certificates Issued (#)   | 0                        | 0              | 0              | 0                      | 0                   | 0                     |
| Projects/Participants (#) | 0                        | 0              | 0              | 0                      | 0                   | 0                     |
| Amount Authorized         | Cumulative Cap Exhausted |                |                |                        |                     |                       |
| Amount Issued             | \$0                      | \$0            | \$0            | \$0                    | \$0                 | \$0                   |
| Amount Redeemed           | \$124,906                | \$257,919      | \$0            | \$78,606               | \$127,608           | \$129,932             |

|  |  |
|--|--|
| FY 2022 EST. Amount Outstanding                      \$379,562 | FY 2022 EST. Amount Authorized but Unissued                      \$0 |
|--|--|

**HISTORICAL AND PROJECTED INFORMATION**

| Category          | FY 2019   | FY 2020   | FY 2021 | FY 2022   | FY 2023   |
|-------------------|-----------|-----------|---------|-----------|-----------|
| Amount Authorized | \$0       | \$0       | \$0     | \$0       | \$0       |
| Amount Issued     | \$0       | \$0       | \$0     | \$0       | \$0       |
| Amount Redeemed   | \$124,906 | \$257,919 | \$0     | \$127,608 | \$129,932 |

**Comments on Historical and Projected Information:** The Department of Insurance made a correction in a redemption from 2005 in the amount of \$50,923.08. That amount has not been redeemed and therefore has been added back into the outstanding credit amount.

TAX CREDIT ANALYSIS

Program Name:

Certified Capital Companies (CAPCO)

FY 2021  
ACTIVITY

Other Fiscal Period  
(indicated time period)

Derivation of Benefits:  
No new authorizations in FY2021.

BENEFITS

Direct Fiscal Benefits

Indirect Fiscal Benefits

Total

\$0

\$0

COSTS

Direct Fiscal Costs

Indirect Fiscal Costs

Total

\$0

\$0

BENEFIT: COST

#DIV/0!

#DIV/0!

Other Benefits:

PERFORMANCE MEASURE(S)

Investment

5

0

FY 2019

FY 2020

FY 2021

FY 2022

FY 2023

Estimated

Actual

Comments on Performance Measure:



## DEVELOPMENT TAX CREDIT PROGRAM

### PURPOSE

To facilitate a business project in order to create new jobs. The Development Tax Credit Program (DTC) offers state tax credits to taxpayers making contributions to a not-for-profit corporation (NFP) for projects approved by the Department of Economic Development (DED). The credits are for 50% of the contribution of cash or the value of certain types of property.

### AUTHORIZATION

Sections 32.100 to 32.125, RSMo

Regulations: 4 CSR 85-2.015, 2.030 to 2.040

### ELIGIBLE AREAS

Statewide, but the project must be located or qualify as a "blighted" or "conservation" area as defined in Tax Increment Financing (§99.805, RSMo), an enterprise zone (Ch. 135.200 et seq., RSMo), an enhanced enterprise zone (Ch. 135.9, RSMo) or an urban redevelopment area (Ch. 353, RSMo.)

### ELIGIBLE APPLICANTS

Generally, manufacturing, processing or assembly projects that propose wages above the average for the area and provide health benefits are prioritized. Other types of projects may be considered for approval if tax credits remain near the end of the state fiscal year. There must be a positive economic benefit to the state. This calculation includes other state incentives provided for the project, and new public costs necessary to support the project.

### PROGRAM BENEFITS/ELIGIBLE USES

This tax credit can be applied to:

- Ch. 143 – Income tax, excluding withholding tax
- Ch. 147 – Corporate franchise tax
- Ch. 148 –
- Bank Tax
- Insurance Premium Tax
- Other Financial Institution Tax
- Ch. 153 – Express Companies Tax

The DTC program may be used for the acquisition of land or buildings through the purchase from cash contributions or donation of real estate. The acquisition of new or used machinery and equipment is also eligible if it is to be placed in an existing building.

This credit's special attributes:

- Carry forward 5 years
- Sellable or transferable

### FUNDING LIMITS

The amount of tax credits available for a single project:

- Is limited to the lesser of \$500,000, or \$10,000 per full-time, permanent job created by the business within two years of execution of the lease; and
- Must be the least amount necessary to cause the project to occur.

Credits authorized under this program are limited to \$6,000,000 per fiscal year.

### APPLICATION/APPROVAL PROCEDURE

- Applications will be accepted by DED at any time of the year and will be approved on an individual, case-by-case basis, based on compliance with all program criteria, the need for this program to make a project feasible, a positive economic impact on the state and the availability of tax credits.
- The company cannot make a public announcement of the project prior to DED's contingent approval of an application.
- The not-for-profit (NFP) submits application documents to DED. If DED approves the request, a letter will be sent to the sponsor and company.

A DTC Agreement is executed between DED, the company and the not-for-profit. A lease agreement is executed between the company and the NFP. After the contribution is made, DED will issue tax credit certificates to the contributor.

### REPORTING REQUIREMENTS

For three years following the year of the first issuance of tax credits, a Tax Credit Accountability Act Reporting form is sent out by the DED. It must be filled out and received back by

June 30 to avoid penalties.

### SPECIAL PROGRAM REQUIREMENTS

- The NFP must retain ownership of all properties acquired by the contribution for a minimum of five years. DED may allow a longer lease period depending on the needs of the project.
- The eventual disposition of properties acquired by the contribution will be no less than 75% of the fair market value of the facility, excluding the value of leasehold improvements.
- The amount of the lease payments will be determined by DED based on the following:
  - costs of the non-profit to operate and maintain the subject assets (if any); and

- the amount of tax credits issued. In most cases, the NFP will provide DED the lease payments received in an amount to repay the tax credits plus interest.
- Only not-for-profit organizations authorized to operate in Missouri and headquartered in the geographic area of the proposed project are eligible recipients of DTC approved contributions. The business that will lease property from the NFP cannot have significant representation on the NFP's board.
- Ineligible NFP's include: churches and their denominational headquarters, units of government and any affiliated organization under their direct supervision, partisan organizations and public or tuition-based private schools.

## CONTACT

### Missouri Department of Economic Development

Division of Business and Community Services

Business and Community Finance Team

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## TAX CREDIT ANALYSIS

| <b>Program Name:</b> Development Tax Credit (DPC)   |                       |                       |  |                               |                            |                              |          |         |         |         |                     |                     |                   |     |     |     |     |     |               |           |           |           |  |  |                 |           |           |           |           |           |
|---|-----------------------|-----------------------|--|-------------------------------|----------------------------|------------------------------|----------|---------|---------|---------|---------------------|---------------------|-------------------|-----|-----|-----|-----|-----|---------------|-----------|-----------|-----------|--|--|-----------------|-----------|-----------|-----------|-----------|-----------|
| <b>Department:</b> Economic Development   |                       |                       | <b>Contact Name &amp; No.:</b> Kristen Riggs (573) 751-3713  |                               |                            | <b>Date:</b> January 2022    |          |         |         |         |                     |                     |                   |     |     |     |     |     |               |           |           |           |  |  |                 |           |           |           |           |           |
| <b>Program Category:</b> Business Recruitment   |                       |                       | <b>Type:</b> Tax Credit <input checked="" type="checkbox"/> Other (specify) _____  |                               |                            |                              |          |         |         |         |                     |                     |                   |     |     |     |     |     |               |           |           |           |  |  |                 |           |           |           |           |           |
| <b>Statutory Authority:</b> 32.100 to 32.125, RSMo  |                       |                       | <b>Applicable Taxes:</b> Income tax, Corporate franchise tax, Bank tax, Insurance premium tax, Other financial institutions tax, Express company tax |                               |                            |                              |          |         |         |         |                     |                     |                   |     |     |     |     |     |               |           |           |           |  |  |                 |           |           |           |           |           |
| <b>Date of Origin:</b> 1989   |                       |                       |  |                               |                            |                              |          |         |         |         |                     |                     |                   |     |     |     |     |     |               |           |           |           |  |  |                 |           |           |           |           |           |
| <b>Program Description and Eligibility Requirements:</b><br>Donations must be made to a non-profit corporation; specified number of jobs must be created within 2 years and maintained for 5 years; application must have the local agency's endorsement; project must be located in a distressed or blighted area; and, the benefiting business must be a for-profit business.   |                       |                       |  |                               |                            |                              |          |         |         |         |                     |                     |                   |     |     |     |     |     |               |           |           |           |  |  |                 |           |           |           |           |           |
| <b>Explanation of How Award is Computed:</b> <div style="float: right;"> <b>Entitlement</b> <input type="checkbox"/> No <input type="checkbox"/> Discretionary <input type="checkbox"/> Yes         </div> <p>The tax credit is equal to 50% of a contribution made to a non-profit corporation. The non-profit uses the contributed funds to purchase assets that would be leased to an approved business.</p>   |                       |                       |  |                               |                            |                              |          |         |         |         |                     |                     |                   |     |     |     |     |     |               |           |           |           |  |  |                 |           |           |           |           |           |
| <b>Program Cap:</b> Cumulative \$ _____ (remainder of cumulative cap) \$ _____ Annual \$6 million _____ None  |                       |                       |  |                               |                            |                              |          |         |         |         |                     |                     |                   |     |     |     |     |     |               |           |           |           |  |  |                 |           |           |           |           |           |
| <b>Explanation of cap:</b> Credits may not exceed \$4 million for any one fiscal year, except that for fiscal years 2005, 2006 and 2007 credits shall not exceed \$6 million per fiscal year. SB 1155 (2004). Effective August 28, 2008, the cap is \$6 million.  |                       |                       |  |                               |                            |                              |          |         |         |         |                     |                     |                   |     |     |     |     |     |               |           |           |           |  |  |                 |           |           |           |           |           |
| <b>Explanation of Expiration of Authority:</b> No new projects may be proposed after August 27, 2013.   |                       |                       |  |                               |                            |                              |          |         |         |         |                     |                     |                   |     |     |     |     |     |               |           |           |           |  |  |                 |           |           |           |           |           |
| <b>Specific Provisions:</b> (if applicable)<br>Carry forward <input type="text" value="5 years"/> Carry Back <input type="text" value="n/a"/> Refundable <input type="text" value="No"/> Sellable/Assignable <input type="text" value="Yes"/> Additional Federal Deductions Available <input type="text" value="No"/>   |                       |                       |  |                               |                            |                              |          |         |         |         |                     |                     |                   |     |     |     |     |     |               |           |           |           |  |  |                 |           |           |           |           |           |
| <b>Comments on Specific Provisions:</b>   |                       |                       |  |                               |                            |                              |          |         |         |         |                     |                     |                   |     |     |     |     |     |               |           |           |           |  |  |                 |           |           |           |           |           |
|   | <b>FY 2019 ACTUAL</b> | <b>FY 2020 ACTUAL</b> | <b>FY 2021 ACTUAL</b>  | <b>FY 2022 (year to date)</b> | <b>FY 2022 (Full Year)</b> | <b>FY 2023 (Budget Year)</b> |          |         |         |         |                     |                     |                   |     |     |     |     |     |               |           |           |           |  |  |                 |           |           |           |           |           |
| Certificates Issued (#)   | 0                     | 0                     | 0  | 0                             | 0                          | 0                            |          |         |         |         |                     |                     |                   |     |     |     |     |     |               |           |           |           |  |  |                 |           |           |           |           |           |
| Projects/Participants (#)   | 0                     | 0                     | 0  | 0                             | 0                          | 0                            |          |         |         |         |                     |                     |                   |     |     |     |     |     |               |           |           |           |  |  |                 |           |           |           |           |           |
| Amount Authorized   | \$0                   | \$0                   | \$0  | \$0                           | \$0                        | \$0                          |          |         |         |         |                     |                     |                   |     |     |     |     |     |               |           |           |           |  |  |                 |           |           |           |           |           |
| Amount Issued   | \$0                   | \$0                   | \$0  | \$0                           | \$0                        | \$0                          |          |         |         |         |                     |                     |                   |     |     |     |     |     |               |           |           |           |  |  |                 |           |           |           |           |           |
| Amount Redeemed   | \$374,477             | \$174,524             | \$412,998  | \$178,090                     | \$320,666                  | \$320,666                    |          |         |         |         |                     |                     |                   |     |     |     |     |     |               |           |           |           |  |  |                 |           |           |           |           |           |
| FY 2022 EST. Amount Outstanding \$2,996,360 <div style="float: right;">FY 2022 EST. Amount Authorized but Unissued \$0</div>  |                       |                       |  |                               |                            |                              |          |         |         |         |                     |                     |                   |     |     |     |     |     |               |           |           |           |  |  |                 |           |           |           |           |           |
| <b>HISTORICAL AND PROJECTED INFORMATION</b>   |                       |                       |  |                               |                            |                              |          |         |         |         |                     |                     |                   |     |     |     |     |     |               |           |           |           |  |  |                 |           |           |           |           |           |
| <table border="1" style="margin-top: 10px; width: 100%; border-collapse: collapse;"> <caption>Historical and Projected Information Data</caption> <thead> <tr> <th>Category</th> <th>FY 2019</th> <th>FY 2020</th> <th>FY 2021</th> <th>FY 2022 (Projected)</th> <th>FY 2023 (Projected)</th> </tr> </thead> <tbody> <tr> <td>Amount Authorized</td> <td>\$0</td> <td>\$0</td> <td>\$0</td> <td>\$0</td> <td>\$0</td> </tr> <tr> <td>Amount Issued</td> <td>\$374,477</td> <td>\$174,524</td> <td>\$412,998</td> <td></td> <td></td> </tr> <tr> <td>Amount Redeemed</td> <td>\$320,666</td> <td>\$320,666</td> <td>\$320,666</td> <td>\$320,666</td> <td>\$320,666</td> </tr> </tbody> </table> |                       |                       |  |                               |                            |                              | Category | FY 2019 | FY 2020 | FY 2021 | FY 2022 (Projected) | FY 2023 (Projected) | Amount Authorized | \$0 | \$0 | \$0 | \$0 | \$0 | Amount Issued | \$374,477 | \$174,524 | \$412,998 |  |  | Amount Redeemed | \$320,666 | \$320,666 | \$320,666 | \$320,666 | \$320,666 |
| Category  | FY 2019               | FY 2020               | FY 2021  | FY 2022 (Projected)           | FY 2023 (Projected)        |                              |          |         |         |         |                     |                     |                   |     |     |     |     |     |               |           |           |           |  |  |                 |           |           |           |           |           |
| Amount Authorized   | \$0                   | \$0                   | \$0  | \$0                           | \$0                        |                              |          |         |         |         |                     |                     |                   |     |     |     |     |     |               |           |           |           |  |  |                 |           |           |           |           |           |
| Amount Issued   | \$374,477             | \$174,524             | \$412,998  |                               |                            |                              |          |         |         |         |                     |                     |                   |     |     |     |     |     |               |           |           |           |  |  |                 |           |           |           |           |           |
| Amount Redeemed   | \$320,666             | \$320,666             | \$320,666  | \$320,666                     | \$320,666                  |                              |          |         |         |         |                     |                     |                   |     |     |     |     |     |               |           |           |           |  |  |                 |           |           |           |           |           |
| <b>Comments on Historical and Projected Information:</b>  |                       |                       |  |                               |                            |                              |          |         |         |         |                     |                     |                   |     |     |     |     |     |               |           |           |           |  |  |                 |           |           |           |           |           |

# TAX CREDIT ANALYSIS

**Program Name:** Development Tax Credit (DPC)

| BENEFIT: COST ANALYSIS (includes only state revenue impacts) |                     |  |
|--|---------------------|--|
|  | FY 2021<br>ACTIVITY | Other Fiscal Period<br>(indicated time period) |
| <b>BENEFITS</b>  |                     |  |
| Direct Fiscal Benefits                                       |                     |  |
| Indirect Fiscal Benefits                                     |                     |  |
| <b>Total</b>   | \$0                 | \$0  |
| <b>COSTS</b>   |                     |  |
| Direct Fiscal Costs  |                     |  |
| Indirect Fiscal Costs  |                     |  |
| <b>Total</b>   | \$0                 | \$0  |
| <b>BENEFIT: COST</b>   | <b>#DIV/0!</b>      | <b>#DIV/0!</b>                                 |

**Derivation of Benefits:**  
  
 No new authorizations in FY2021.

**Other Benefits:**

**PERFORMANCE MEASURE(S)**  
  
**Permanent New Jobs Created**

| Fiscal Year | Estimated | Actual |
|-------------|-----------|--------|
| FY 2019     | 0         | 0      |
| FY 2020     | 0         | 0      |
| FY 2021     | 0         | 0      |
| FY 2022     | 0         | 0      |
| FY 2023     | 0         | 0      |

**Comments on Performance Measure:**



## FILM PRODUCTION TAX CREDIT PROGRAM

### PURPOSE

State tax credits are issued to a qualified film production company for up to 35% of the amount expended in Missouri for production or production-related activities to facilitate film production in Missouri.

### AUTHORIZATION

Sections 135.750, RSMo

### ELIGIBLE AREAS

Statewide.

### ELIGIBLE APPLICANTS

Any film production company with an expected in-state expenditure budget of at least \$100,000 for films over 30 minutes in length, and at least \$50,000 for films under 30 minutes in length.

### ELIGIBILITY CRITERIA

A film production company claiming the credit must first apply to the Department of Economic Development. A particular film will be eligible to receive the tax credit based on the amount of funds still withstanding for that particular year. Prior to the approval, the department will also look at the economic impact in determining whether the particular project would be a good fit for the tax credit.

### PROGRAM BENEFITS/ELIGIBLE USES

This tax credit can be applied to:

- Ch. 143 – Income tax, excluding withholding tax
- Ch. 148 –
  - Bank Tax
  - Insurance Premium Tax
  - Other Financial Institution Tax

This credit's special attributes:

- Carry forward 5 years
- Sellable or transferable

Only those Missouri expenditures necessary for the production of the film are eligible. Such expenditures may include, but are not limited to, the costs of labor (Missouri residents only), services, materials, equipment rental, lodging, food, location fees and property rental.

### FUNDING LIMITS

The entire film production tax credit program is capped at \$4.5 million.

### APPLICATION/APPROVAL PROCEDURE

Due to a finite amount of tax credits available, DED has established a procedure whereby tax credits may be set aside for a given film project by the submission of an application that provides estimates for the company's Missouri expenditures on the project. Based upon these estimates and any other relevant information, DED may reserve a given amount of tax credits for the project (for a given period of time). If it appears at any time that a project may be significantly delayed, then DED may review the project and, if warranted, reclaim those reserved credits and apply them elsewhere.

In the application form, DED will ask for estimates on the amount of money to be spent in Missouri, as well as projected dates for establishing the production office and the first day of principal photography. These dates will be used in determining the length of time for which tax credits may be reserved for the project, as well as the likelihood that the project will actually be produced in Missouri.

### REPORTING REQUIREMENTS

Certain tax credit recipients are required to annually report to the DED information pertaining to the project that received the tax credits. The statute requires that a full year pass after the issuance of the tax credits before SB1099 reporting requirements must be met. The "Tax Credit Accountability Act" reporting form must be submitted to DED by June 30 each year for three years following the year of the first issuance of tax credits, including the following information:

- Category of business by size
- Address of the business headquarters
- Addresses of all offices located within this state
- Number of employees at the time of the annual update
- Updated estimate of the number of employees projected to increase as a result of the completion of the project
- The estimated or actual project cost

### CONTACT

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## TAX CREDIT ANALYSIS

|   |    |                      |  |  |  |                           |                    |    |                      |     |  |  |
|---|----|----------------------|--|--|--|---------------------------|--------------------|----|----------------------|-----|--|--|
| <b>Program Name:</b> Film Tax Credit Program  |    |                      |  |  |  |                           |                    |    |                      |     |  |  |
| <b>Department:</b> Economic Development   |    |                      | <b>Contact Name &amp; No.:</b> Kristen Riggs (573) 751-3713  |  |  | <b>Date:</b> January 2022 |                    |    |                      |     |  |  |
| <b>Program Category:</b> Business Recruitment   |    |                      | <b>Type:</b> Tax Credit <input checked="" type="checkbox"/> <b>Other (specify)</b> _____               |  |  |                           |                    |    |                      |     |  |  |
| <b>Statutory Authority:</b> 135.750, RSMo   |    |                      | <b>Applicable Taxes:</b> Income tax, Bank tax, Insurance Premium tax, Other financial institutions tax |  |  |                           |                    |    |                      |     |  |  |
| <b>Date of Origin:</b> 1997   |    |                      |  |  |  |                           |                    |    |                      |     |  |  |
| <b>Program Description and Eligibility Requirements:</b><br>Provides a tax credit for in-state expenditures for film production projects. Prior to CY 2008, the film had to have an expected in-state expenditure budget in excess of \$300,000 to be eligible. After January 1, 2008, films under 30 minutes in length must have an in-state budget in excess of \$50,000; films over 30 minutes in length must have an in-state budget in excess of \$100,000.  |    |                      |  |  |  |                           |                    |    |                      |     |  |  |
| <b>Explanation of How Award is Computed:</b> <table style="width: 100%; border: none;"> <tr> <td style="width: 30%;"><b>Entitlement</b></td> <td style="width: 10%; border: 1px solid black; text-align: center;">No</td> <td style="width: 30%;"><b>Discretionary</b></td> <td style="width: 10%; border: 1px solid black; text-align: center;">Yes</td> <td colspan="2"></td> </tr> </table> <p>For years prior to 2008, the tax credit is equal to 50% of the investment in production or production related activities, but may not exceed \$1,000,000 per taxpayer, or \$1,500,000 for all taxpayers. Starting in 2008, the tax credit is up to 35% of qualified expenditures, but may not exceed \$4.5 million annually for all projects.</p> |    |                      |  |  |  |                           | <b>Entitlement</b> | No | <b>Discretionary</b> | Yes |  |  |
| <b>Entitlement</b>  | No | <b>Discretionary</b> | Yes  |  |  |                           |                    |    |                      |     |  |  |
| <b>Program Cap:</b> Cumulative \$ _____ (remainder of cumulative cap) \$ _____ Annual <u>\$4.5 million</u> _____ None   |    |                      |  |  |  |                           |                    |    |                      |     |  |  |
| <b>Explanation of cap:</b><br>The annual cap is allocated each calendar year to film projects based on pre-applications submitted to DED. Effective January 1, 2008 the annual cap increased from \$1,500,000 to \$4,500,000.   |    |                      |  |  |  |                           |                    |    |                      |     |  |  |
| <b>Explanation of Expiration of Authority:</b> This program sunset in 2013.   |    |                      |  |  |  |                           |                    |    |                      |     |  |  |
| <b>Specific Provisions:</b> (if applicable)<br>Carry forward <input type="text" value="5 years"/> Carry Back <input type="text" value="n/a"/> Refundable <input type="text" value="No"/> Sellable/Assignable <input type="text" value="Yes"/> Additional Federal Deductions Available <input type="text" value="No"/>   |    |                      |  |  |  |                           |                    |    |                      |     |  |  |
| <b>Comments on Specific Provisions:</b>   |    |                      |  |  |  |                           |                    |    |                      |     |  |  |

|                           | FY 2019 ACTUAL | FY 2020 ACTUAL | FY 2021 ACTUAL | FY 2022 (year to date) | FY 2022 (Full Year) | FY 2023 (Budget Year) |
|---------------------------|----------------|----------------|----------------|------------------------|---------------------|-----------------------|
| Certificates Issued (#)   | 0              | 0              | 0              | 0                      | 0                   | 0                     |
| Projects/Participants (#) | 0              | 0              | 0              | 0                      | 0                   | 0                     |
| Amount Authorized         | \$0            | \$0            | \$0            | \$0                    | \$0                 | \$0                   |
| Amount Issued             | \$0            | \$0            | \$0            | \$0                    | \$0                 | \$0                   |
| Amount Redeemed           | \$0            | \$0            | \$0            | \$0                    | \$0                 | \$0                   |

|   |     |
|---|-----|
| FY 2022 EST. Amount Outstanding             | \$0 |
| FY 2022 EST. Amount Authorized but Unissued | \$0 |

**HISTORICAL AND PROJECTED INFORMATION**

■ FY 2019

■ FY 2020

■ FY 2021

■ FY 2022

■ FY 2023

|  |
|--|
| <b>Comments on Historical and Projected Information:</b> |
|--|

## TAX CREDIT ANALYSIS

**Program Name:** Film Tax Credit Program

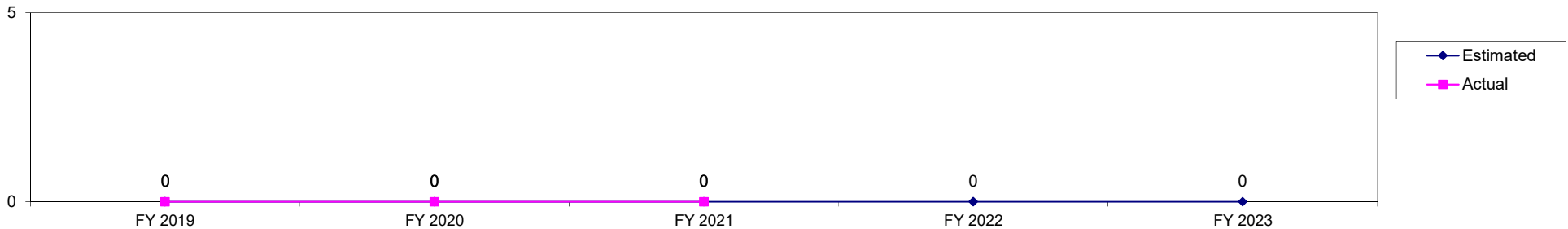
**BENEFIT: COST ANALYSIS (includes only state revenue impacts)**

|                          | FY 2021<br>ACTIVITY | Other Fiscal Period<br>(indicated time period) | Derivation of Benefits:          |
|--------------------------|---------------------|--|----------------------------------|
| <b>BENEFITS</b>          |                     |  | No new authorizations in FY2021. |
| Direct Fiscal Benefits   |                     |  |                                  |
| Indirect Fiscal Benefits |                     |  |                                  |
| <b>Total</b>             | \$0                 | \$0  |                                  |
| <b>COSTS</b>             |                     |  |                                  |
| Direct Fiscal Costs      |                     |  |                                  |
| Indirect Fiscal Costs    |                     |  |                                  |
| <b>Total</b>             | \$0                 | \$0  |                                  |
| <b>BENEFIT: COST</b>     | <b>#DIV/0!</b>      | <b>#DIV/0!</b>                                 |                                  |

**Other Benefits:**

**PERFORMANCE MEASURE(S)**

## Leveraged Investment



Comments on Performance Measure:



## LAND ASSEMBLAGE TAX CREDIT PROGRAM

### PURPOSE

Support redevelopment of blighted areas into productive use.

### AUTHORIZATION

Section 99.1205, RSMo. (HB1, Special Session, 2007).

### ELIGIBLE AREAS

- An area of at least 75 acres;
- At least 80% must be within a Distressed Area (applicable to other DED programs) or a federal "Qualified Census Tract" (26 U.S.C. Section 42);
- The redeveloper must acquire at least 50 acres of the area;
- The average parcels per acre must be four or more; and
- Less than five percent of the acreage for acquisition by the redeveloper under the redevelopment plan shall consist of owner-occupied residences.

### ELIGIBLE APPLICANTS

Redeveloper, which is a person, firm, partnership, trust, limited liability company, or corporation.

### ELIGIBILITY CRITERIA

The redeveloper must have incurred acquisition cost for at least 50 acres of eligible parcels, have been appointed the redeveloper of the area by a city or county, have entered into a redevelopment agreement, and have been approved for redevelopment incentives for the area.

### PROGRAM BENEFITS/ELIGIBLE USES

State tax credits are provided to the redeveloper based on 50% of the acquisition costs and 100% of the interest costs incurred for a period of five years after the acquisition of an eligible parcel. Maintenance costs (boarding up and securing vacant structures, costs of removing trash, and costs of cutting grass and weeds) may also be included as acquisition costs.

### FUNDING LIMITS

- Maximum aggregate amount of tax credits for all projects: \$95 million.
- Maximum annual amount of tax credits, all projects (by one or more redevelopers): \$20 million. If the amount to be issued to more than one redeveloper exceeds \$20 million/year, the amount will be pro-rated between the redevelopers. Any amount of tax credits that exceeds the \$20 million annual cap shall be carried forward for the benefit of the redevelopers to subsequent years.

### APPLICATION/APPROVAL PROCEDURE

A redeveloper may submit an application to the Department of Economic Development (DED). The redeveloper must identify the boundaries of the eligible project area in the application. The department shall verify that the municipal authority held the requisite hearings and gave the requisite notices for such hearings in accordance with the applicable economic incentive act and municipal ordinances.

### REPORTING REQUIREMENTS

Redevelopers must submit satisfactory evidence of all acquisition, maintenance, and interest costs to DED annually prior to November 15. If maintenance costs are to be included, DED must post on its website the type and amount of such costs.

### SPECIAL PROGRAM REQUIREMENTS

- No tax credits shall be authorized after August 28, 2013. Any tax credits which have been authorized on or before August 28, 2013, but not issued, may be issued, subject to the limitations provided under this subsection, until all such authorized tax credits have been issued.
- Tax credits may be applied against the taxes imposed under chapters 143, 147, and 148, RSMo, except for sections 143.191 to 143.265, RSMo., or any unused portion may be carried forward for credit against the taxes imposed under chapters 143, 147, and 148, RSMo, for the succeeding six years, or until the full credit is used, whichever occurs first. The applicant shall not be entitled to a tax credit for taxes imposed under sections 143.191 to 143.265.
- Unused tax credits may be sold, assigned, or transferred. Such transfer must be submitted to DED on Form MO-TF.

### CONTACT

#### Missouri Department of Economic Development

Division of Business and Community Solutions  
Development Finance Team

301 West High Street • Room 770 • P.O. Box 118

Jefferson City • MO • 65102

Phone: 573-522-8004 • Fax: 573-522-9462

E-mail: [dedfin@ded.mo.gov](mailto:dedfin@ded.mo.gov) • Web: [www.ded.mo.gov](http://www.ded.mo.gov)

## TAX CREDIT ANALYSIS

|   |  |                           |
|---|--|---------------------------|
| <b>Program Name:</b> Distressed Areas Land Assemblage |  |                           |
| <b>Department:</b> Economic Development               | <b>Contact Name &amp; No.:</b> Mark Pauley (573) 522-8006  | <b>Date:</b> January 2022 |
| <b>Program Category:</b> Redevelopment                | <b>Type:</b> Tax Credit <input checked="" type="checkbox"/> Other (specify) _____                      |                           |
| <b>Statutory Authority:</b> Section 99.1205, RSMo     | <b>Applicable Taxes:</b> Income Tax; Bank Tax; Insurance Premium Tax; Other financial institutions tax |                           |
| <b>Date of Origin:</b> 2007                           |  |                           |

**Program Description and Eligibility Requirements:**

Applicant that has incurred, within an eligible project area, acquisition costs for the acquisition of fifty acres of at least seventy-five acres and whom has been appointed by the local municipality as the redeveloper of the redevelopment area is entitled to a tax credit of fifty percent of the acquisition costs and one hundred percent of the interest costs incurred for a period of five years after the acquisition of an eligible parcel.

**Explanation of How Award is Computed:**

**Entitlement** ☐ Yes ☐ **Discretionary** ☐ No ☐

Tax credit amount equal to fifty percent of the acquisition costs which includes environmental assessments, closing costs, real estate brokerage fees, reasonable demolition costs of vacant structures, and reasonable maintenance costs. The tax credit amount is equal to one hundred percent for interest costs for a period of five years which include interest, loan fees, and closing costs. This is a calendar year credit.

**Program Cap:** Cumulative \$95 million (remainder of cumulative cap) \$ \_\_\_\_\_ Annual \$20 million None \_\_\_\_\_

**Explanation of cap:**

Tax credits that will exceed the \$20M in any year shall either be issued to one applicant, if there is only one applicant, or issued on a pro rata basis to all applicants entitled to receive tax credits in that year. Any amount of tax credits of which an applicant is entitled but does not receive shall be carried forward for the benefit of the applicant to subsequent years.

**Explanation of Expiration of Authority:** No tax credits shall be authorized after 8/28/2013.

**Specific Provisions:** (if applicable)

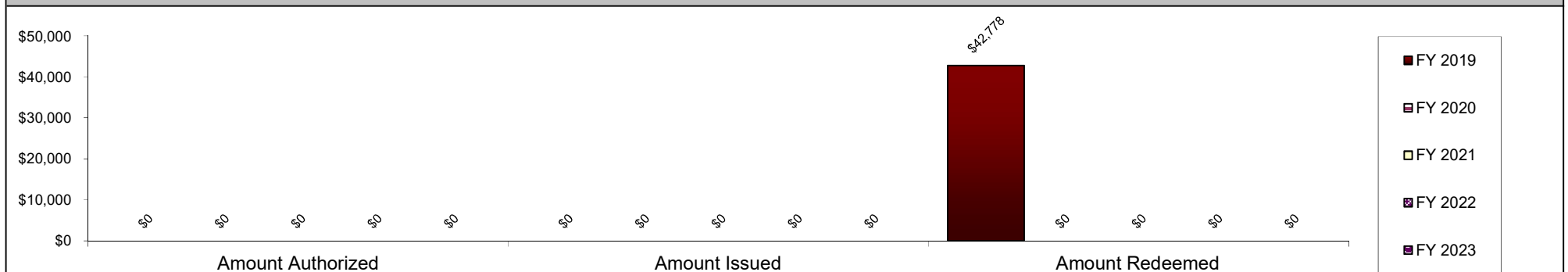
Carry forward  Carry Back  Refundable  Sellable/Assignable  Additional Federal Deductions Available

**Comments on Specific Provisions:**

|                           | FY 2019 ACTUAL | FY 2020 ACTUAL | FY 2021 ACTUAL | FY 2022 (year to date) | FY 2022 (Full Year) | FY 2023 (Budget Year) |
|---------------------------|----------------|----------------|----------------|------------------------|---------------------|-----------------------|
| Certificates Issued (#)   | 0              | 0              | 0              | 0                      | 0                   | 0                     |
| Projects/Participants (#) | 0              | 0              | 0              | 0                      | 0                   | 0                     |
| Amount Authorized         | \$0            | \$0            | \$0            | \$0                    | \$0                 | \$0                   |
| Amount Issued             | \$0            | \$0            | \$0            | \$0                    | \$0                 | \$0                   |
| Amount Redeemed           | \$42,778       | \$0            | \$0            | \$0                    | \$0                 | \$0                   |

|                                     |   |
|-------------------------------------|---|
| FY 2021 EST. Amount Outstanding \$0 | FY 2021 EST. Amount Authorized but Unissued \$0 |
|-------------------------------------|---|

### HISTORICAL AND PROJECTED INFORMATION



**Comments on Historical and Projected Information:** No credits remain authorized but unissued.

## TAX CREDIT ANALYSIS

| Program Name: Distressed Areas Land Assemblage  |                     |  |   |             |        |         |   |         |   |         |   |         |  |         |  |
|---|---------------------|--|---|-------------|--------|---------|---|---------|---|---------|---|---------|--|---------|--|
| BENEFIT: COST ANALYSIS (includes only state revenue impacts)  |                     |  |   |             |        |         |   |         |   |         |   |         |  |         |  |
|   | FY 2021<br>ACTIVITY | Other Fiscal Period<br>(indicated time period) | Derivation of Benefits:<br>No new authorizations in FY2021. |             |        |         |   |         |   |         |   |         |  |         |  |
| BENEFITS  |                     |  |   |             |        |         |   |         |   |         |   |         |  |         |  |
| Direct Fiscal Benefits  |                     |  |   |             |        |         |   |         |   |         |   |         |  |         |  |
| Indirect Fiscal Benefits  |                     |  |   |             |        |         |   |         |   |         |   |         |  |         |  |
| Total   | \$0                 | \$0  |   |             |        |         |   |         |   |         |   |         |  |         |  |
| COSTS   |                     |  |   |             |        |         |   |         |   |         |   |         |  |         |  |
| Direct Fiscal Costs   |                     |  |   |             |        |         |   |         |   |         |   |         |  |         |  |
| Indirect Fiscal Costs   |                     |  |   |             |        |         |   |         |   |         |   |         |  |         |  |
| Total   | \$0                 | \$0  |   |             |        |         |   |         |   |         |   |         |  |         |  |
| BENEFIT: COST   | #DIV/0!             | #DIV/0!  |   |             |        |         |   |         |   |         |   |         |  |         |  |
| Other Benefits:   |                     |  |   |             |        |         |   |         |   |         |   |         |  |         |  |
| PERFORMANCE MEASURES  |                     |  |   |             |        |         |   |         |   |         |   |         |  |         |  |
| <div>Parcels of Land Redeveloped</div> <table><thead><tr><th>Fiscal Year</th><th>Actual</th></tr></thead><tbody><tr><td>FY 2019</td><td>0</td></tr><tr><td>FY 2020</td><td>0</td></tr><tr><td>FY 2021</td><td>0</td></tr><tr><td>FY 2022</td><td></td></tr><tr><td>FY 2023</td><td></td></tr></tbody></table> |                     |  |   | Fiscal Year | Actual | FY 2019 | 0 | FY 2020 | 0 | FY 2021 | 0 | FY 2022 |  | FY 2023 |  |
| Fiscal Year   | Actual              |  |   |             |        |         |   |         |   |         |   |         |  |         |  |
| FY 2019   | 0                   |  |   |             |        |         |   |         |   |         |   |         |  |         |  |
| FY 2020   | 0                   |  |   |             |        |         |   |         |   |         |   |         |  |         |  |
| FY 2021   | 0                   |  |   |             |        |         |   |         |   |         |   |         |  |         |  |
| FY 2022   |                     |  |   |             |        |         |   |         |   |         |   |         |  |         |  |
| FY 2023   |                     |  |   |             |        |         |   |         |   |         |   |         |  |         |  |
| Comments on Performance Measure: Subsequent to sunset of the program in FY 2014, there have not been any parcels of land redeveloped.   |                     |  |   |             |        |         |   |         |   |         |   |         |  |         |  |



## NEW MARKETS TAX CREDIT PROGRAM

### PURPOSE

Provide supplemental funding for investment entities that have been approved for the Federal New Markets Tax Credit (NMTC) program in order to direct more funding to Missouri projects. The NMTC program provides state and federal tax credits to investors that make investments into approved funds, which will make investments in eligible projects located in low income census tracts in Missouri.

This program does not provide tax credits directly to businesses. Eligible businesses interested in obtaining funding should contact the approved "Community Development Entities" that are listed on the website below.

### AUTHORIZATION

Section 135.680, RSMo, enacted in 2007.

### ELIGIBLE AREAS

Low-income communities (LIC) are census tracts that have a poverty rate of 20% or more, or the median income is below 80% of the greater than (a) statewide median income; or (b) metropolitan median income.

### ELIGIBLE APPLICANTS

Community Development Entities (CDEs) which have been allocated federal New Markets Tax Credits for Missouri. The state New Markets Tax Credits are provided to investors, which invest in the funds established by a CDE for projects in Missouri.

### ELIGIBILITY CRITERIA

A CDE may make an investment (loan or equity) into a **Qualified Active Low-Income Community Business (QALICB)**, which is any corporation (including a nonprofit corporation) or partnership which meets the following criteria for any taxable year:

- At least 50 percent of total gross income of the QALICB is derived within any Low-Income Community.
- A substantial portion of the use of the tangible property of the QALICB (whether owned or leased) is within any Low-Income Community.
- A substantial portion of the services performed of the QALICB by its employees are performed in any Low-Income Community.
- Less than 5 percent of the average of the aggregate unadjusted bases of the property of the QALICB is attributable to collectibles, other than collectibles that are held primarily for sale to customers in the ordinary course of such business; and
- Less than 5 percent of the average of the aggregate

unadjusted bases of the property of the QALICB is attributed to nonqualified financial property.

Any business that derives or projects to derive 15 percent or more of its annual revenue from the rental or sale of real estate shall not be considered to be a QALICB.

### PROGRAM BENEFITS/ELIGIBLE USES

The tax credit amount shall be equal to the applicable percentage of the adjusted purchase price paid to the issuer of such qualified investment:

- 0% for each of the first 2 credit allowance dates;
- 7% for the third credit allowance date;
- 8% for the next four credit allowance dates

### FUNDING LIMITS

The amount of tax credit claimed shall not exceed the amount of the taxpayer's state tax liability for the tax year for which the tax credit is claimed.

The maximum state tax credit in any fiscal year for all CDEs is \$25 million. There is no limit per CDE, and state tax credits are allocated on a first come basis.

### APPLICATION/APPROVAL PROCEDURE

CDEs that have been certified by the Federal NMTC program are eligible to apply for the state NMTC program. The state application will be a two-part process:

- The CDE submits an application to the Department of Economic Development (which is available on the website below).
- Once eligibility is determined, DED will send a preliminary approval letter to the applicant CDE, which will include an allocated amount of NMTC contingent upon qualified investments being made within 30 days of the date of the preliminary approval letter.
- If an approved CDE is not successful in gaining proof of the investment, the CDE will be required to reapply and will be required to obtain a commitment that secures the investment in the amount of the application to accompany the new submittal.

### REPORTING REQUIREMENTS

Twelve months from the date of the official allocation letter, the Applicant CDE must notify DED where the QEI was invested, provide adjusted purchase price, Senator and Representative information on where investment was made, and how much of a tax credit will be available for the taxpayer.

## SPECIAL PROGRAM REQUIREMENTS

- The tax credit is not refundable or transferable. Any amount of credit that cannot be used in the taxable year may be carried forward to any of the taxpayer's five subsequent taxable years.
- Tax credits earned by a partnership, limited liability company, S-corporation, or other "pass through" entity may be allocated to the partners, members or shareholders of such entity for their direct use in accordance with the provisions of any agreement among such partners, members, or shareholders.
- Qualified investments shall not be made following fiscal year 2010, unless the program is reauthorized by the general assembly.
- Pursuant to (Section 620.1900, RSMo) a fee in an amount up to 2.5% of the tax credit amount applies to the Missouri New Markets Tax Credit Program.

## CONTACT

### Missouri Department of Economic Development

Division of Business and Community Solutions

Development Finance Team

301 West High Street • Room 770 • P.O. Box 118

Jefferson City • MO • 65102

Phone: 573-522-8004 • Fax: 573-522-9462

E-mail: [dedfin@ded.mo.gov](mailto:dedfin@ded.mo.gov) • Web: [www.ded.mo.gov](http://www.ded.mo.gov)

To search for approved Community Development Entities please use the following link:

<http://www.cdfifund.gov/awardees/db/index.asp>

## TAX CREDIT ANALYSIS

| <b>Program Name:</b> New Markets Tax Credit (NMTTC)  |                       |  |   |   |                            |                              |          |         |         |         |         |         |                   |     |     |     |     |     |               |     |     |     |     |     |                 |             |           |           |     |     |
|--|-----------------------|--|---|---|----------------------------|------------------------------|----------|---------|---------|---------|---------|---------|-------------------|-----|-----|-----|-----|-----|---------------|-----|-----|-----|-----|-----|-----------------|-------------|-----------|-----------|-----|-----|
| <b>Department:</b> Economic Development  |                       |  | <b>Contact Name &amp; No.:</b> Mark Pauley (573) 522-8006   |   |                            | <b>Date:</b> January 2022    |          |         |         |         |         |         |                   |     |     |     |     |     |               |     |     |     |     |     |                 |             |           |           |     |     |
| <b>Program Category:</b> Redevelopment   |                       |  | <b>Type:</b> Tax Credit <input checked="" type="checkbox"/> Other (specify) _____   |   |                            |                              |          |         |         |         |         |         |                   |     |     |     |     |     |               |     |     |     |     |     |                 |             |           |           |     |     |
| <b>Statutory Authority:</b> Section 135.680, RSMo  |                       |  | <b>Applicable Taxes:</b> Income Tax; Bank Tax; Insurance Premium Tax; Other financial institutions tax; Express Companies Tax |   |                            |                              |          |         |         |         |         |         |                   |     |     |     |     |     |               |     |     |     |     |     |                 |             |           |           |     |     |
| <b>Date of Origin:</b> 2007  |                       |  |   |   |                            |                              |          |         |         |         |         |         |                   |     |     |     |     |     |               |     |     |     |     |     |                 |             |           |           |     |     |
| <b>Program Description and Eligibility Requirements:</b><br>Taxpayers making a qualified equity investment into a qualified community development entity (CDE) earn a vested right to tax credits. The tax credit amount is equal to the applicable percentage of the adjusted purchase price paid to the CDE. The credit percentages are zero percent for the first two years, seven percent for the third year and eight percent for the next four years. The CDE will invest the contributions into qualified active low-income community businesses. Effective August 28, 2008, a legislative change allows DED to issue letter rulings regarding the program. |                       |  |   |   |                            |                              |          |         |         |         |         |         |                   |     |     |     |     |     |               |     |     |     |     |     |                 |             |           |           |     |     |
| <b>Explanation of How Award is Computed:</b>   |                       | <b>Entitlement</b> <input type="checkbox"/> Yes <input type="checkbox"/> No<br>Awarded on a first come, first serve basis. This is a fiscal year credit. |   | <b>Discretionary</b> <input type="checkbox"/> Yes <input type="checkbox"/> No |                            |                              |          |         |         |         |         |         |                   |     |     |     |     |     |               |     |     |     |     |     |                 |             |           |           |     |     |
| <b>Program Cap:</b> Cumulative \$ _____ (remainder of cumulative cap) \$ _____ Annual \$25 million None _____<br><b>Explanation of cap:</b><br>DED shall limit the monetary amount of qualified equity investments to a level necessary to limit tax credit utilization to no more than \$15M of tax credits in any fiscal year. Effective 6/4/2009 the cap increased to \$25M.  |                       |  |   |   |                            |                              |          |         |         |         |         |         |                   |     |     |     |     |     |               |     |     |     |     |     |                 |             |           |           |     |     |
| <b>Explanation of Expiration of Authority:</b> Following FY2010, no equity investments shall be made unless program shall be reauthorized. This program automatically sunsets 6 years after the effective date of 9/4/2007 unless reauthorized.  |                       |  |   |   |                            |                              |          |         |         |         |         |         |                   |     |     |     |     |     |               |     |     |     |     |     |                 |             |           |           |     |     |
| <b>Specific Provisions:</b> (if applicable)<br>Carry forward <input type="text" value="5 years"/> Carry Back <input type="text" value="n/a"/> Refundable <input type="text" value="No"/> Sellable/Assignable <input type="text" value="No"/> Additional Federal Deductions Available <input type="text" value="No"/>   |                       |  |   |   |                            |                              |          |         |         |         |         |         |                   |     |     |     |     |     |               |     |     |     |     |     |                 |             |           |           |     |     |
| <b>Comments on Specific Provisions:</b>  |                       |  |   |   |                            |                              |          |         |         |         |         |         |                   |     |     |     |     |     |               |     |     |     |     |     |                 |             |           |           |     |     |
|  | <b>FY 2019 ACTUAL</b> | <b>FY 2020 ACTUAL</b>  | <b>FY 2021 ACTUAL</b>   | <b>FY 2022 (year to date)</b>   | <b>FY 2022 (Full Year)</b> | <b>FY 2023 (Budget Year)</b> |          |         |         |         |         |         |                   |     |     |     |     |     |               |     |     |     |     |     |                 |             |           |           |     |     |
| Certificates Issued (#)  | 0                     | 0  | 0   | 0   | 0                          | 0                            |          |         |         |         |         |         |                   |     |     |     |     |     |               |     |     |     |     |     |                 |             |           |           |     |     |
| Projects/Participants (#)  | 0                     | 0  | 0   | 0   | 0                          | 0                            |          |         |         |         |         |         |                   |     |     |     |     |     |               |     |     |     |     |     |                 |             |           |           |     |     |
| Amount Authorized  | \$0                   | \$0  | \$0   | \$0   | \$0                        | \$0                          |          |         |         |         |         |         |                   |     |     |     |     |     |               |     |     |     |     |     |                 |             |           |           |     |     |
| Amount Issued  | \$0                   | \$0  | \$0   | \$0   | \$0                        | \$0                          |          |         |         |         |         |         |                   |     |     |     |     |     |               |     |     |     |     |     |                 |             |           |           |     |     |
| Amount Redeemed  | \$1,868,073           | \$483,064  | \$103,211   | \$0   | \$0                        | \$0                          |          |         |         |         |         |         |                   |     |     |     |     |     |               |     |     |     |     |     |                 |             |           |           |     |     |
| FY 2021 EST. Amount Outstanding  |                       | \$0  |   | FY 2021 EST. Amount Authorized but Unissued                                   |                            | \$0                          |          |         |         |         |         |         |                   |     |     |     |     |     |               |     |     |     |     |     |                 |             |           |           |     |     |
| <b>HISTORICAL AND PROJECTED INFORMATION</b>  |                       |  |   |   |                            |                              |          |         |         |         |         |         |                   |     |     |     |     |     |               |     |     |     |     |     |                 |             |           |           |     |     |
| <table border="1" style="margin-top: 10px; width: 100%; border-collapse: collapse;"> <caption>Historical and Projected Information Data</caption> <thead> <tr> <th>Category</th> <th>FY 2019</th> <th>FY 2020</th> <th>FY 2021</th> <th>FY 2022</th> <th>FY 2023</th> </tr> </thead> <tbody> <tr> <td>Amount Authorized</td> <td>\$0</td> <td>\$0</td> <td>\$0</td> <td>\$0</td> <td>\$0</td> </tr> <tr> <td>Amount Issued</td> <td>\$0</td> <td>\$0</td> <td>\$0</td> <td>\$0</td> <td>\$0</td> </tr> <tr> <td>Amount Redeemed</td> <td>\$1,868,073</td> <td>\$483,064</td> <td>\$103,211</td> <td>\$0</td> <td>\$0</td> </tr> </tbody> </table>                  |                       |  |   |   |                            |                              | Category | FY 2019 | FY 2020 | FY 2021 | FY 2022 | FY 2023 | Amount Authorized | \$0 | \$0 | \$0 | \$0 | \$0 | Amount Issued | \$0 | \$0 | \$0 | \$0 | \$0 | Amount Redeemed | \$1,868,073 | \$483,064 | \$103,211 | \$0 | \$0 |
| Category   | FY 2019               | FY 2020  | FY 2021   | FY 2022   | FY 2023                    |                              |          |         |         |         |         |         |                   |     |     |     |     |     |               |     |     |     |     |     |                 |             |           |           |     |     |
| Amount Authorized  | \$0                   | \$0  | \$0   | \$0   | \$0                        |                              |          |         |         |         |         |         |                   |     |     |     |     |     |               |     |     |     |     |     |                 |             |           |           |     |     |
| Amount Issued  | \$0                   | \$0  | \$0   | \$0   | \$0                        |                              |          |         |         |         |         |         |                   |     |     |     |     |     |               |     |     |     |     |     |                 |             |           |           |     |     |
| Amount Redeemed  | \$1,868,073           | \$483,064  | \$103,211   | \$0   | \$0                        |                              |          |         |         |         |         |         |                   |     |     |     |     |     |               |     |     |     |     |     |                 |             |           |           |     |     |
| <b>Comments on Historical and Projected Information:</b> This program was sunset in 2010 and the last remaining issuances were made in FY 2017. No further authorizations or issuance will be made.  |                       |  |   |   |                            |                              |          |         |         |         |         |         |                   |     |     |     |     |     |               |     |     |     |     |     |                 |             |           |           |     |     |

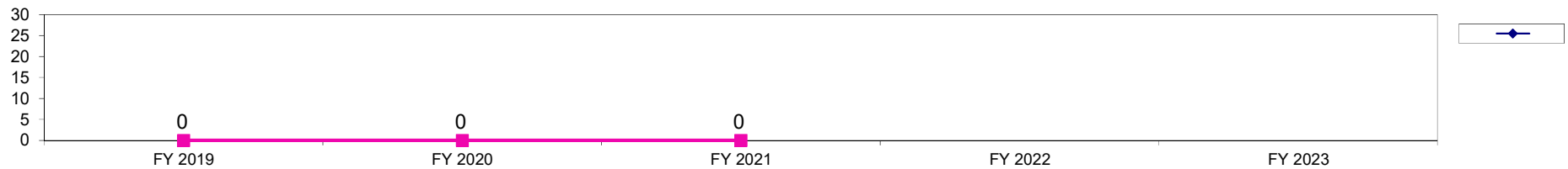
## TAX CREDIT ANALYSIS

|   |                             |  |  |
|---|-----------------------------|--|--|
| <b>Program Name:</b> New Markets Tax Credit (NMTC)                  |                             |  |  |
| <b>BENEFIT: COST ANALYSIS (includes only state revenue impacts)</b> |                             |  |  |
|   | <b>FY 2021<br/>ACTIVITY</b> | <b>Other Fiscal Period<br/>(indicated time period)</b> | <b>Derivation of Benefits:</b><br>No new authorizations in FY2021. |
| <b>BENEFITS</b>   |                             |  |  |
| Direct Fiscal Benefits  |                             |  |  |
| Indirect Fiscal Benefits  |                             |  |  |
| <b>Total</b>  | \$0                         | \$0  |  |
| <b>COSTS</b>  |                             |  |  |
| Direct Fiscal Costs   |                             |  |  |
| Indirect Fiscal Costs   |                             |  |  |
| <b>Total</b>  | \$0                         | \$0  |  |
| <b>BENEFIT: COST</b>  | <b>#DIV/0!</b>              | <b>#DIV/0!</b>   |  |

Other Benefits:

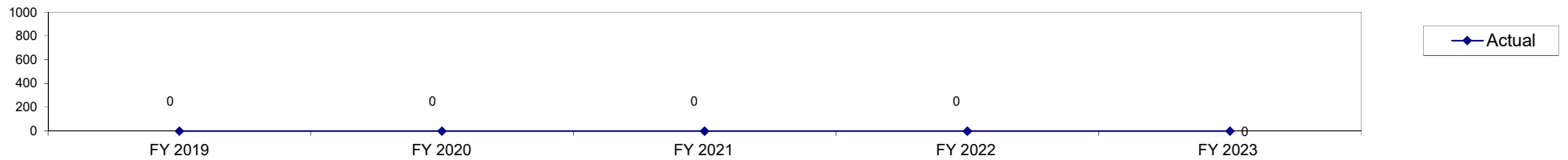
### PERFORMANCE MEASURE(S)

#### Businesses Receiving Investment



Comments on Performance Measure:

#### Jobs Created



**Comments on Performance Measure:** Both the number of business receiving the investment and the number of jobs created were reported in the fiscal year the initial allocation/authorization was made. Since the program has sunset there are no new numbers to report.



## REBUILDING COMMUNITIES TAX CREDIT PROGRAM

### PURPOSE

To stimulate business activity in Missouri's "distressed communities" by providing tax credits to eligible businesses that locate, relocate or expand their business within a distressed community.

### AUTHORIZATION

Section 135.535, RSMo.

### ELIGIBLE AREAS

Distressed communities only. For a list of cities and census block groups that are "distressed communities," visit DED's web site or call 573-751-0717.

### ELIGIBLE APPLICANTS

Businesses that locate, relocate or expand their business within a distressed area or distressed Missouri community.

### ELIGIBILITY CRITERIA

- Must have more than 75% of its employees at the facility in the distressed community.
- Must have fewer than 100 employees total at all facilities nationwide (before commencing operations or relocating).
- Primarily engaged in manufacturing, biomedical, medical devices, scientific research, animal research, computer software design or development, computer programming (including Internet, web hosting, and other information technology), telecommunications (wireless, wired or other), or a professional firm.

### CATEGORIES OF BUSINESS

#### NEW OR RELOCATING BUSINESSES

Eligible new or relocating businesses may choose one of the 40% Tax Credits and the employees may receive the 1.5% Employee Tax Credit.

#### EXISTING BUSINESSES

Eligible businesses already located in a distressed community may be eligible for the 25% Equipment Tax Credit. Existing businesses that double the number of full time employees in the distressed community from the previous year, may choose one of the 40% Tax Credits.

### TAX BENEFITS AVAILABLE

#### 40% INCOME TAX CREDIT:

State tax credit based on 40% of the amount of state income tax owed by the business.

#### 40% EQUIPMENT TAX CREDIT:

State tax credit based on 40% of the amount of funds expended for computer equipment and its maintenance, medical laboratories and equipment, research laboratory equipment, manufacturing equipment, fiber optic equipment, high-speed telecommunications, wiring or software development expense in the calendar year.

#### 1.5% EMPLOYEE TAX CREDIT:

Employees of an eligible business may receive a tax credit against state individual income tax equal to 1.5% of their gross annual salary paid at the project facility. The business must receive one of the 40% Tax Credits each year for the employees to be eligible for this credit.

#### 25% EQUIPMENT TAX CREDIT:

State tax credit based on 25% of the amount of funds expended for eligible equipment in a taxable year that exceeds the average of the prior two years' expenditures for such equipment. Eligible expenditures include: computer equipment and its maintenance, medical laboratories and equipment, research laboratory equipment, manufacturing equipment, fiber optic equipment, high-speed telecommunications, wiring and software development.

### PROGRAM BENEFITS/ELIGIBLE USES

The 40% Income Tax Credits and the 25% and 40% Equipment Tax Credits can be applied to:

- Ch. 143 – Income tax, excluding withholding tax
- Ch. 147 – Corporate franchise tax
- Ch. 148 –
  - Bank Tax
  - Insurance Premium Tax
  - Other Financial Institution Tax

And have these special attributes:

- Carry back 3 years
- Carry forward 5 years
- Sellable or transferable

The 1.5% Individual Tax Credit can be applied to:

- Ch. 143 – Individual income tax

And has this special attribute:

- Sellable or transferable

## FUNDING LIMITS

### PROGRAM LIMIT:

- All credits: \$8 million/year
- 25% Equipment Tax Credits: \$750,000/year

### PER BUSINESS LIMIT:

- 40% Income Tax Credit: \$125,000/year
- 25% and 40% Equipment Tax Credits: \$75,000/year

### ELIGIBILITY PERIOD:

- 40% Equipment Tax Credit: Year of commencement of operations plus three calendar years thereafter
- 40% Income Tax Credit: Three tax years after the year of commencement of operations
- 1.5% Employee Tax Credit: Three tax years after commencement of operations

## APPLICATION/APPROVAL PROCEDURE

- New or relocating businesses should submit a Pre-Application to DED prior to commencing operations in the distressed community.
- Businesses applying for the 25% Equipment Tax Credit should submit a Pre-Application for each year that they intend to request tax credits.
- Applications for tax credits must be submitted to DED prior to February 15th of the calendar year following the year in which the credits were earned.
- Tax credits will be issued on a first-come, first served basis.

## REPORTING REQUIREMENTS

The "Tax Credit Accountability Act" reporting form must be submitted to DED by June 30 each year for three years following the year of the first issuance of tax credits.

## SPECIAL PROGRAM REQUIREMENTS

A business can only earn the 40% Tax Credits under this program for one eligibility period.

No business can earn credits under this program if earning Missouri Quality Jobs, Enterprise Zone, Enhanced Enterprise Zone, Business Facility or Brownfield Jobs and Investment Tax Credits for the same project for the same tax period. If a project is eligible for more than one such program, the business must choose only one program.

## CONTACT

Missouri Department of Economic Development  
Division of Business and Community Services  
Business and Community Finance Team  
301 West High Street • Room 770 • P.O. Box 118  
Jefferson City • MO • 65102

Phone: 573-751-4539 • Fax: 573-522-4322

E-mail: [dedfin@ded.mo.gov](mailto:dedfin@ded.mo.gov) • Web: [www.MissouriDevelopment.com](http://www.MissouriDevelopment.com)

## TAX CREDIT ANALYSIS

|   |   |                           |
|---|---|---------------------------|
| <b>Program Name:</b> Rebuilding Communities   |   |                           |
| <b>Department:</b> Economic Development       | <b>Contact Name &amp; No.:</b> Kristen Riggs (573) 751-3713   | <b>Date:</b> January 2022 |
| <b>Program Category:</b> Business Recruitment | <b>Type:</b> Tax Credit <input checked="" type="checkbox"/> Other (specify) _____   |                           |
| <b>Statutory Authority:</b> 135.535, RSMo     | <b>Applicable Taxes:</b> Income tax, Corporate franchise tax, Bank tax, Insurance premium tax, Other financial institutions tax |                           |

**Date of Origin:** 1997

**Program Description and Eligibility Requirements:**

Provides a tax credit for eligible businesses locating, relocating or expanding within a distressed community. A business must have fewer than 100 full-time employees, 75% of which must be located in the distressed community, and be primarily engaged in manufacturing, biomedical, medical devices, scientific research, animal research, computer software design or development, computer programming, including Internet, web hosting, and other information technology, wireless or wired or other telecommunications or a professional firm.

**Explanation of How Award is Computed:**

**Entitlement** ☐ Yes ☐ **Discretionary** ☐ No ☐

The tax credit is equal to either 40% or 25% of eligible equipment purchases, depending on whether the business is new or existing, or 40% of state income taxes due. A 1.5% employee tax credit is also available to businesses who receive one of the 40% credits and is based on an employee's gross salary. The 40% income tax credit is limited to \$125,000 per year for three years. The 40% and 25% equipment credits are limited to \$75,000 per year for four years.

**Program Cap:** Cumulative \$ \_\_\_\_\_ (remainder of cumulative cap) \$ \_\_\_\_\_ Annual \$ 8 million None

**Explanation of cap:** Total credits issued under this program may not exceed \$8 million per year. The 25% equipment credits are further limited to \$750,000 per year. (Note that 620.1881, RSMo - the Missouri Quality Jobs Act - reduced the cap from \$10 million to \$8 million).

**Explanation of Expiration of Authority:**

**Specific Provisions:** (if applicable)

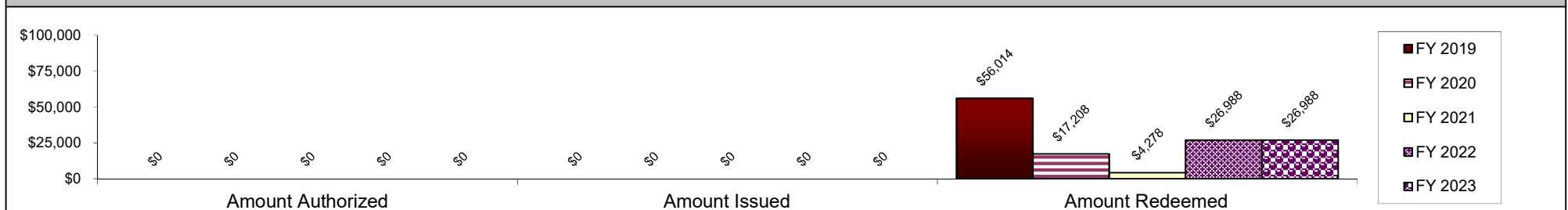
Carry forward ☐ 5 years ☐ Carry Back ☐ 3 years ☐ Refundable ☐ No ☐ Sellable/Assignable ☐ Yes ☐ Additional Federal Deductions Available ☐ No ☐

**Comments on Specific Provisions:** The 1.5% employee credits are sellable/assignable only.

|                           | FY 2019 ACTUAL | FY 2020 ACTUAL | FY 2021 ACTUAL | FY 2022 (year to date) | FY 2022 (Full Year) | FY 2023 (Budget Year) |
|---------------------------|----------------|----------------|----------------|------------------------|---------------------|-----------------------|
| Certificates Issued (#)   | 0              | 0              | 0              | 0                      | 0                   | 0                     |
| Projects/Participants (#) | 0              | 0              | 0              | 0                      | 0                   | 0                     |
| Amount Authorized         | \$0            | \$0            | \$0            | \$0                    | \$0                 | \$0                   |
| Amount Issued             | \$0            | \$0            | \$0            | \$0                    | \$0                 | \$0                   |
| Amount Redeemed           | \$56,014       | \$17,208       | \$4,278        | \$0                    | \$26,988            | \$26,988              |

|  |   |
|--|---|
| FY 2022 EST. Amount Outstanding \$53,976 | FY 2022 EST. Amount Authorized but Unissued \$0 |
|--|---|

### HISTORICAL AND PROJECTED INFORMATION



**Comments on Historical and Projected Information:**

# TAX CREDIT ANALYSIS

| Program Name: Rebuilding Communities   |                     |  |   |             |           |        |         |   |   |         |   |   |         |   |   |         |   |   |         |   |   |
|--|---------------------|--|---|-------------|-----------|--------|---------|---|---|---------|---|---|---------|---|---|---------|---|---|---------|---|---|
| BENEFIT: COST ANALYSIS (includes only state revenue impacts)   |                     |  |   |             |           |        |         |   |   |         |   |   |         |   |   |         |   |   |         |   |   |
|  | FY 2021<br>ACTIVITY | Other Fiscal Period<br>(indicated time period) | Derivation of Benefits:<br><br>No new authorizations in FY2021. |             |           |        |         |   |   |         |   |   |         |   |   |         |   |   |         |   |   |
| BENEFITS   |                     |  |   |             |           |        |         |   |   |         |   |   |         |   |   |         |   |   |         |   |   |
| Direct Fiscal Benefits   |                     |  |   |             |           |        |         |   |   |         |   |   |         |   |   |         |   |   |         |   |   |
| Indirect Fiscal Benefits   |                     |  |   |             |           |        |         |   |   |         |   |   |         |   |   |         |   |   |         |   |   |
| Total  | \$0                 | \$0  |   |             |           |        |         |   |   |         |   |   |         |   |   |         |   |   |         |   |   |
| COSTS  |                     |  |   |             |           |        |         |   |   |         |   |   |         |   |   |         |   |   |         |   |   |
| Direct Fiscal Costs  |                     |  |   |             |           |        |         |   |   |         |   |   |         |   |   |         |   |   |         |   |   |
| Indirect Fiscal Costs  |                     |  |   |             |           |        |         |   |   |         |   |   |         |   |   |         |   |   |         |   |   |
| Total  | \$0                 | \$0  |   |             |           |        |         |   |   |         |   |   |         |   |   |         |   |   |         |   |   |
| BENEFIT: COST  | #DIV/0!             | #DIV/0!  |   |             |           |        |         |   |   |         |   |   |         |   |   |         |   |   |         |   |   |
| Other Benefits:  |                     |  |   |             |           |        |         |   |   |         |   |   |         |   |   |         |   |   |         |   |   |
| PERFORMANCE MEASURE(S)   |                     |  |   |             |           |        |         |   |   |         |   |   |         |   |   |         |   |   |         |   |   |
| New Investment   |                     |  |   |             |           |        |         |   |   |         |   |   |         |   |   |         |   |   |         |   |   |
| <table><thead><tr><th>Fiscal Year</th><th>Estimated</th><th>Actual</th></tr></thead><tbody><tr><td>FY 2019</td><td>0</td><td>0</td></tr><tr><td>FY 2020</td><td>0</td><td>0</td></tr><tr><td>FY 2021</td><td>0</td><td>0</td></tr><tr><td>FY 2022</td><td>0</td><td>-</td></tr><tr><td>FY 2023</td><td>0</td><td>-</td></tr></tbody></table> |                     |  |   | Fiscal Year | Estimated | Actual | FY 2019 | 0 | 0 | FY 2020 | 0 | 0 | FY 2021 | 0 | 0 | FY 2022 | 0 | - | FY 2023 | 0 | - |
| Fiscal Year  | Estimated           | Actual   |   |             |           |        |         |   |   |         |   |   |         |   |   |         |   |   |         |   |   |
| FY 2019  | 0                   | 0  |   |             |           |        |         |   |   |         |   |   |         |   |   |         |   |   |         |   |   |
| FY 2020  | 0                   | 0  |   |             |           |        |         |   |   |         |   |   |         |   |   |         |   |   |         |   |   |
| FY 2021  | 0                   | 0  |   |             |           |        |         |   |   |         |   |   |         |   |   |         |   |   |         |   |   |
| FY 2022  | 0                   | -  |   |             |           |        |         |   |   |         |   |   |         |   |   |         |   |   |         |   |   |
| FY 2023  | 0                   | -  |   |             |           |        |         |   |   |         |   |   |         |   |   |         |   |   |         |   |   |
| Comments on Performance Measure: Program has sunset. No new investments accepted for the tax credits.  |                     |  |   |             |           |        |         |   |   |         |   |   |         |   |   |         |   |   |         |   |   |